

UROPA SECURITIES PLC

(Incorporated with limited liability in England and Wales with registered number 6169704)

Mortgage Backed Securities Programme

Issue of Series 2008-1 Mortgage Backed Floating Rate Notes

	<u>Initial Principal Amount</u>	<u>Ratings (S&P/Fitch)</u>	<u>Interest Rate</u>	<u>Maturity Date</u>
Class A	£279,931,000	AAA/AAA	3 month GBP LIBOR + 0.20%	June 2059
Class M1	£32,299,000	AA/AA	3 month GBP LIBOR + 0.35%	June 2059
Class M2	£25,260,000	A/A	3 month GBP LIBOR + 0.55%	June 2059
Class B	£26,916,000	BBB/NR	3 month GBP LIBOR + 0.75%	June 2059
Class C*	£33,128,000	BB-/NR	3 month GBP LIBOR + 0.80%	June 2059
Class D	£16,564,000	Unrated	3 month GBP LIBOR + 4.25%	June 2059
Class S	£33,386,000	Unrated	3 month GBP LIBOR + 4.25%	June 2059

* Interest on Class C Deferrable Interest Notes is deferrable to Final Maturity Date. Rated for ultimate receipt of principal and interest. Not rated for timely interest.

This supplement (the "**Supplement**") comprises a prospectus for the purposes of Directive 2003/71/EC (the "**Prospectus Directive**"). Reference throughout this document to "Supplement" shall be taken to read "Prospectus". This Supplement, in conjunction with the Base Prospectus (the "**Base Prospectus**") dated 30 December 2008 (which Base Prospectus comprises a base prospectus for the purposes of the Prospectus Directive), is prepared in connection with the Mortgage Backed Securities Programme (the "**Programme**") established by Uropa Securities PLC (the "**Issuer**") on 18 July 2007. The prospectus has been approved by the Irish Financial Services Regulatory Authority (the "**Financial Regulator**"), as competent authority under the Prospectus Directive. The Financial Regulator only approves this prospectus as meeting the requirements imposed under Irish and EU law pursuant to the Prospectus Directive. Application has been made to the Irish Stock Exchange Limited (the "**Irish Stock Exchange**") for the Notes to be admitted to the official list (the "**Official List**") and trading on its regulated market.

This Supplement should be read in conjunction with the Base Prospectus and relates to the Series of Notes, including Subordinated Notes to be issued pursuant hereto (the "**Series**") and the Series Portfolio described herein. The Base Prospectus is incorporated by reference into this Supplement. Unless the context otherwise requires, terms defined in the Base Prospectus shall have the same meaning when used in this Supplement.

This Supplement has been prepared for the purpose of giving information about the issue of the Series 2008-1 Mortgage Backed Floating Rate Notes by the Issuer which will comprise the Class A Notes (the "**Class A Notes**"), the Class M1 Notes (the "**Class M1 Notes**"), the Class M2 Notes (the "**Class M2 Notes**") and together with the Class M1 Notes, the "**Class M Notes**"), the Class B Notes (the "**Class B Notes**"), the Class C deferrable interest Notes (the "**Class C Deferrable Interest Notes**"), the Class D Notes (the "**Class D Notes**"), and together with the Class A Notes, the Class M Notes, the Class B Notes and the Class C Deferrable Interest Notes, the "**Mortgage Backed Floating Rate Notes**") and the Class S Notes (the "**Subordinated Notes**"), and together with the Mortgage Backed Floating Rate Notes, the "**Notes**"). The holders of the Class A Notes shall be defined as the "**A Noteholders**". The holders of the Class M1 Notes shall be defined as the "**M1 Noteholders**". The holders of the Class M2 Notes shall be defined as the "**M2 Noteholders**", and together with the M1 Noteholders, the "**M Noteholders**". The holders of the Class B Notes shall be defined as the "**B Noteholders**". The holders of the Class C Deferrable Interest Notes shall be defined as the "**C Noteholders**". The holders of the Class D Notes shall be defined as the "**D Noteholders**". The holders of the Class S Notes shall be defined as the "**Subordinated Noteholders**". The holders of the Notes shall be defined as the "**Noteholders**" and the holders of each class of Notes shall be defined as a "**class of Noteholders**".

The Notes will be issued on or about 30 December 2008 (the "**Issue Date**").

The Notes being offered by this Supplement are not eligible to be purchased by "**employee benefit plans**" subject to Title I of the Employee Retirement Income Security Act of 1974, as amended ("**ERISA**"), "**plans**" subject to Section 4975 of the US Internal Revenue Code of 1986, as amended (the "**Code**"), or an entity deemed to be using the assets of or acting on behalf of such an "employee benefit plan" subject to ERISA or a "**plan**" subject to section 4925 of the Code.

Any investment in the Notes does not have the status of a bank deposit and is not within the scope of the deposit protection scheme operated by the Financial Regulator. **An investment in the Notes involves certain risks. The risks in this Supplement are the same as those set out in the Base Prospectus. For a discussion of these risks see "Risk Factors" in the Base Prospectus.**

Programme Arranger, Bookrunner and Lead Manager

THE ROYAL BANK OF SCOTLAND PLC

The date of this Supplement is 30 December 2008.

The Issuer accepts responsibility for the information contained in this Supplement. To the best of the knowledge and belief of the Issuer (which it has taken reasonable care to ensure that such is the case) the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

This Supplement is to be read in conjunction with the Base Prospectus and all other documents which are deemed to be incorporated herein by reference. This Supplement shall be read and construed on the basis that such documents are incorporated and form part of this Supplement.

None of the Programme Arranger, the Dealers and Co-Manager in respect of the Series, any Series Originator, the Seller, any Legal Titleholder, the Master Servicer, the Programme Servicer, the Series Servicer, the Delegate Special Servicer, Britannia Building Society or any subsidiary or affiliate of Britannia Building Society, the Programme Cash Manager, the Series Cash Manager, the Series Hedge Provider, the Series Investment Account Bank, the Series AssetCo, the Series Account Bank, the Trustee, the Series Trustee, the Series Agents or the Series Security Trustee has independently verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Programme Arranger, the Dealers in respect of the Series, the Trustee, the Series Trustee, the Series Agents or the Series Security Trustee as to the accuracy or completeness of the information contained or incorporated in this Supplement or any other information provided by the Issuer in connection with the Programme. None of the Programme Arranger, the Dealers and Co-Manager of the Series, any Series Originator, the Seller, any Legal Titleholder, the Master Servicer, the Programme Servicer, the Delegate Special Servicer, the Programme Cash Manager, the Series Cash Manager, the Series Servicer, Britannia Building Society or any subsidiary or affiliate of Britannia Building Society, the Series Hedge Provider, the Series Investment Account Bank, the Series AssetCo, the Series Account Bank, the Trustee, the Series Trustee, the Series Agents or the Series Security Trustee accepts any liability in relation to the information contained or incorporated by reference in this Supplement or any other information provided by the Issuer in connection with the Programme.

No person is or has been authorised by the Issuer, the Programme Arranger, the Dealers and Co-Manager in respect of the Series, the Trustee, the Series Trustee or the Series Security Trustee to give any information or to make any representation not contained in or not consistent with this Supplement or any other information supplied in connection with the Programme or the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, the Programme Arranger, the Dealers in respect of the Series, the Trustee, the Series Trustee or the Series Security Trustee.

Neither this Supplement nor any other information supplied in connection with the Programme or any Notes (i) is intended to provide the basis of any credit or other evaluation or (ii) should be considered as a recommendation by the Issuer, the Seller, the Programme Arranger, the Dealers in respect of the Series, the Trustee, the Series Trustee or the Series Security Trustee that any recipient of this Supplement or any other information supplied in connection with the Programme or any Notes should purchase any Notes. Each investor contemplating purchasing any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer. Neither this Supplement nor any other information supplied in connection with the Programme or the issue of any Notes constitutes an offer or invitation by or on behalf of the Issuer, the Seller, the Programme Arranger, the Dealers in respect of the Series, the Trustee, the Series Trustee or the Series Security Trustee to any person to subscribe for or to purchase any Notes.

This Supplement does not constitute, and may not be used for the purposes of, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation, and no action is being taken to permit an offering of the Notes or the distribution of this Supplement in any jurisdiction where such action is required.

The Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), and may not be offered or sold, directly or indirectly, in the United States or to, or for the account or benefit of U.S. persons unless such securities are registered under the Securities Act or pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The Notes (excluding the S Notes) may be offered and sold outside the United States to non-U.S. persons pursuant to the requirements of Regulation S under the Securities Act.

CONTENTS

	Page
Additional Information about certain transaction parties	1
Risk Factors	5
Note Specific Conditions	7
Part A: Issue of the Series Notes	7
Part B: Form and Holdings of the Series Notes	8
Part C: Interest on the Series Notes	9
Part D: Repayment of the Series Notes	11
Part E: Listing and Admission to Trading Application	12
Part F: Expenses Relating to Admission to Trading on Regulated Market	12
Part G: Use of Proceeds	12
Series Specific Particulars	13
Part A: Series Fees and Expenses	15
Part B: Series Portfolio	15
Part C: Series Portfolio Services Aspects	30
Part D: Series Account Services Aspects	31
Part E: Series Portfolio Purchase Agreement	32
Part F: Series Intercompany Loans Agreement	33
Part G: Assetco Security Deed	34
Part H: Series Credit Structure	35
Part I: Series Additional Credit Features	43
Part J: Series Liquidity Facility	44
Part K: Series Hedge Agreements	46
Part L: Series LOC Agreement	48
Issuer Specific Provisions	49
Part A: Security	49
Part B: Issuer Accounts	49
Part C: Distribution Scheme	49
Additional Information about the Series Portfolios	54
Series Portfolio Select Summary Data	72
Part A: Series Portfolio	72
Part B: GMAC Loans Portfolio	79
Part C: KMC and MPL Loans Portfolio	86
Part D: Edeus Loans Portfolio	92
Part E: PFL Loans Portfolio	98
Weighted Average Lives of the Notes	105
General Information	107
Responsibility	109
INDEX OF DEFINED TERMS	110

ADDITIONAL INFORMATION ABOUT CERTAIN TRANSACTION PARTIES

The information contained in this section headed "*Additional Information about Certain Transaction Parties*" relates to and has been obtained respectively from each of the persons to which the information relates. The delivery of the Transaction Documents shall not create any implication that there has been no change in the affairs of those persons since the date of this Supplement or that the information contained or referred to in this section is

Investors should note that it has not been possible to obtain up-to-date information about Kensington Mortgage Company Limited. The information contained below in relation to Kensington Mortgage Company Limited has been obtained from a public source, and Kensington Mortgage Company Limited has not verified that this information is accurate.

GMAC-RFC Limited

GMAC-RFC Limited (in its capacity as originator of the GMAC Loans, "**GMAC-RFC**").

GMAC-RFC Limited is a private limited company incorporated in England and Wales under the Companies Act 1985 on 6 January 1998. GMAC-RFC Limited was formed by Residential Funding Company, LLC, a directly wholly owned subsidiary of Residential Capital, LLC and an indirectly wholly owned subsidiary of GMAC, LLC (formerly General Motors Acceptance Corporation). With effect from 1 December 2006, FIM Holdings, LLC purchased a 51 *per cent.* equity interest in GMAC, LLC. FIM Holdings, LLC is an investment company formed for the purpose of acquiring General Motors Acceptance Corporation. FIM Holdings, LLC is a consortium led by Cerberus Capital Management, and also comprised of three other companies: Citigroup Alternative Investments, Aozora Bank and a subsidiary of PNC Financial Services Group, Inc. GMAC, LLC was previously a wholly owned subsidiary of General Motors Corporation, which continues to hold an indirect 49 *per cent.* equity interest in GMAC, LLC.

GMAC-RFC Limited's primary business is to provide mortgage services in the UK through intermediaries and other financial institutions. GMAC-RFC Limited originates mortgage loans to borrowers in England, Wales and Scotland and has also in the past originated mortgage loans to borrowers in Northern Ireland, including mainstream, buy-to-let, self-certification and non-conforming mortgage loans.

The registered office of GMAC-RFC Limited is at Eastern Gate, Brants Bridge, Bracknell, Berkshire RG12 9BZ.

North Yorkshire Mortgages Limited

North Yorkshire Mortgages Limited is a private limited company and was incorporated in England and Wales under the Companies Act 1985 (with company number 02238645) ("**NYM**"). It is a wholly owned subsidiary of Scarborough Building Society. It is regulated by the Financial Services Authority and holds the required authorisations and permissions to carry out regulated activities under the Financial Services and Markets Act 2000.

NYM has more than 15 years' experience and expertise in the trading of many mortgage portfolios. It offers bespoke portfolio trading solutions, and has handled many trades ranging from £50 million to £500 million in the past two years alone. NYM supports the delivery of individual lender growth strategies and mortgage origination, acquisition, seasoning and trading services.

The registered office of North Yorkshire Mortgages Limited is at Prospect House, PO Box 6, Lake View, Eastfield, Scarborough, North Yorkshire YO11 3WZ.

Kensington Mortgage Company Limited

Kensington Mortgage Company Limited ("**KMC**") is a private limited company and was incorporated in England and Wales under the Companies Act 1985 (with company number 03049877) whose registered office is at 2 Gresham Street, London EC2V 7QP. KMC acted as origination agent for the following undisclosed principals:

- (a) Finsbury Park Mortgage Funding Limited, a private limited company incorporated under the laws of England and Wales (with company number 03437350) whose registered office is at 2 Gresham Street, London EC2V 7QP;
- (b) Newbury Park Mortgage Funding Limited, a private limited company incorporated under the laws of England and Wales (with company number 04644588) whose registered office is at 2 Gresham Street, London EC2V 7QP; and
- (c) St. James's Park Mortgage Funding Limited, a private limited company incorporated under the laws of England and Wales (with company number 03261513) whose registered office is at 2 Gresham Street, London EC2V 7QP.

In each case, KMC was the legal title holder and the relevant principal was the beneficial owner of the relevant Mortgage upon origination.

KMC acquired each of the MPL Loans and its Related Security from Money Partners Limited ("**MPL**", prior to selling the MPL Loans and related Mortgages to the Seller. Money Partners Limited is a private limited company and was incorporated in England and Wales under the Companies Act 1985 (with company number 4992438) and its registered office at Keaton House, Widewater Place, Moorhall Road, Harefield, Uxbridge UB9 6NS.

The Royal Bank of Scotland plc

General

The Royal Bank of Scotland Group plc ("**RBSG**") is the holding company of a large global banking and financial services group. Headquartered in Edinburgh, RBSG operates in the UK, the US and internationally through its two principal subsidiaries, The Royal Bank of Scotland plc ("**RBS**") and National Westminster Bank Plc ("**NatWest**"). Both RBS and NatWest are major UK clearing banks whose origins go back over 275 years. RBSG has a large and diversified customer base and provides a wide range of products and services to personal, commercial and large corporate and institutional customers in over 50 countries.

RBSG's operations are conducted principally through RBS and its subsidiaries (including NatWest) other than ABN AMRO businesses (see below) and the general insurance business (primarily Direct Line Group and Churchill Insurance).

The Group had total assets of £1,948.7 billion and owners' equity of £61.6 billion at 30th June 2008. The Group's capital ratios, which included the equity minority interest of Fortis and Santander in ABN AMRO were: a total capital ratio of 13.2 *per cent.*, a Core Tier 1 capital ratio of 6.7 *per cent.* and a Tier 1 capital ratio of 9.1 *per cent.* as at 30th June 2008. RBS had total assets of £1,202.8 billion and shareholders' equity of £58.0 billion at 30th June 2008. RBS capital ratios were; a total capital ratio of 15.6 *per cent.* and a Tier 1 capital ratio of 10.2 *per cent.* as at 30th June 2008.

At the Issue Date, the short-term unsecured and unguaranteed debt obligations of RBS are rated A-1 by S&P, P-1 by Moody's and F1+ by Fitch. The long-term senior unsecured and unguaranteed debt obligations of RBS are currently rated A+ by S&P, Aa1 by Moody's and AA- by Fitch.

ABN AMRO

On 17th October 2007, RFS Holdings B.V. ("**RFS Holdings**"), a company jointly owned by RBSG, Fortis N.V., Fortis SA/NV, Fortis Bank Nederland (Holding) N.V., (Fortis N.V., Fortis SA/NV and Fortis Bank Nederland (Holding) N.V., collectively, "**Fortis**") and Banco Santander S.A. ("**Santander**") (the "**Consortium Banks**") and controlled by RBSG, completed the acquisition of ABN AMRO Holding N.V. ("**ABN AMRO**"), a major international banking group with a leading position in international payments and a strong investment banking franchise with particular strengths in emerging markets, as well as a provider of a range of retail and commercial financial services around the world via regional business units in Europe, the Netherlands, North America, Latin America and Asia. RFS Holdings is in the process of implementing an orderly separation of the business units of ABN AMRO, with RBSG principally retaining ABN AMRO's global wholesale businesses and international retail businesses in Asia and the Middle East. Certain other assets will continue to be shared by the Consortium Banks.

On 3rd October 2008, the Dutch government acquired Fortis Bank Nederland (Holding) N.V. including Fortis' participation in RFS Holdings that represents the acquired activities of ABN AMRO.

Tesco Personal Finance

On 28th July 2008, RBSG announced that it had agreed to sell its 50% shareholding in Tesco Personal Finance ("TPF") to its joint venture partner, Tesco plc for a cash consideration of £950 million, subject to transaction adjustments. As part of this transaction, RBSG will continue to provide certain commercial services to TPF post completion. The sale is subject to regulatory approvals and completion is expected to take place before the end of December 2008.

Board changes

On 1st October 2008, Stephen Hester, John McFarlane and Arthur Ryan were appointed non-executive directors of RBSG. Johnny Cameron stepped down from the RBSG Board on 13th October 2008 and Mark Fisher stepped down as a director on 21st November. Sir Fred Goodwin stepped down from the Board on 21st November 2008 and was replaced as Group Chief Executive by Stephen Hester, who also became an executive director. Lawrence Fish will retire as a non-executive director on 31 December 2008, and Sir Tom McKillop will retire as Chairman and Charles Koch will retire as a non-executive director at the Annual General Meeting of RBSG to be held in April 2009.

Madoff Investment Securities

The Group has announced that it has exposure through trading and collateralised lending to funds of hedge funds invested with Bernard L Madoff Investment Securities LLC. If as a result of the alleged fraud the value of the assets of these hedge funds is nil, the Group's potential loss could amount to approximately £400 million.

Recent Events

On 8th October 2008, the UK government announced measures intended, inter alia, to provide sufficient liquidity to the banking sector and to make available new capital to UK banks (including RBS).

Credit Guarantee Scheme

Following its announcement on 8th October 2008 referred to above, on 13th October 2008 the UK government announced a credit guarantee scheme for bank and building society debt issuance (the "**Scheme**"). RBS applied to take part in the Scheme and was named as an initial eligible institution in the "*Rules of the 2008 Credit Guarantee Scheme*" issued by The Commissioners of Her Majesty's Treasury ("**HM Treasury**") on 13th October 2008. Under the Scheme HM Treasury, at the request of RBS, will provide an unconditional and irrevocable direct guarantee which ensures timely payment of non-complex, senior and unsecured debt instruments issued by RBS of a term of not more than three years.

Capital Raising

On 4th November 2008, RBSG announced a Placing and Open Offer of £15 billion at a fixed price of 65.5p per ordinary share. As a result, HM Treasury now own approximately 57.9 per cent. of the enlarged issued ordinary share capital of RBSG.

In addition, HM Treasury subscribed for £5 billion of non-cumulative preference shares in RBSG.

Edeus Mortgages Limited, Edeus Mortgages 3 Limited and Edeus Mortgage Creators Limited

Edeus Mortgages Limited, Edeus Mortgages 3 Limited and Edeus Mortgage Creators Limited in their capacities as Series Originators are together referred to as "**Edeus**".

Edeus Mortgage Creators Limited was incorporated and registered in England and Wales under the Companies Act 1985 on 23 February 2006 as a private limited company with company registration number 05720173. The registered office of Edeus Mortgages Limited is 2 Cornwall Street, Birmingham B3 2DL. Edeus Mortgage Creators Limited was placed in administration on 8 October 2008.

Edeus Mortgages Limited was incorporated and registered in England and Wales under the Companies Act 1985 on 23 February 2006 as a private limited company with company registration number 05720181. Edeus Mortgages Limited changed its name to Thor Mortgages Limited on 28 August 2008. Its registered office is 35 Great St. Helens, London EC3A 6AP.

Edeus Mortgages 3 Limited was incorporated and registered in England and Wales under the Companies Act 1985 on 30 April 2007 as a private limited company with company registration number 06231539. Edeus Mortgages 3 Limited changed its name to Odin Mortgages Limited on 28 August 2008. The registered office of Odin Mortgages Limited is 35 Great St. Helens, London EC3A 6AP.

Platform Funding Limited

Platform Funding Limited ("**PFL**") was incorporated and registered in England and Wales under the Companies Act 1985 on 26 September 1997 as a private limited company with company registration number 3456337. The registered office of PFL is Exchange Tower, 2 Harbour Exchange, London E14 9FR. PFL was established for the purpose of originating residential mortgage loans (including buy-to-let loans) to borrowers in England, Wales, Scotland and Northern Ireland who include the recently self-employed, independent contractors, temporary employees and people who may have experienced previous credit problems, being in each case people who generally do not satisfy the lending criteria of traditional sources of residential mortgage capital.

The Notes will not be obligations of, and will not be guaranteed by, any of PFL, Britannia Building Society or any subsidiary or affiliate of Britannia Building Society.

Western Mortgage Services Limited

Western Mortgage Services Limited ("**WMS**") was incorporated and registered in England and Wales under the Companies Act 1985 with limited liability as a private limited company on 26 April 1996 with company registration number 3191608. The registered office of WMS is the MoneyCentre, Drake Circus, Plymouth, Devon PL1 1QJ. Following the acquisition of Western Trust and Savings Limited (WTS) in July 1995 by Birmingham Midshires Building Society, WMS acquired from WTS its mortgage servicing infrastructure. WMS was acquired by Britannia Building Society on 27 January 1997 and the shares subsequently transferred to Britannia Treasury Services Limited. WMS currently provides centralised residential mortgage processing and loan administration services to Britannia Building Society and a limited number of third party mortgage originators.

WMS has 370 dedicated staff and provides servicing operations for Platform, as well as several smaller non-Britannia affiliated mortgage providers. It has considerable experience in the servicing of non-conforming UK mortgage loans, including loans originated and securitised by Platform Funding Limited, a wholly owned subsidiary of Britannia Building Society and loans originated and securitised by third parties. WMS has over £11 billion of assets under management, including over £3 billion of client assets.

The Notes will not be obligations of, and will not be guaranteed by, WMS.

RISK FACTORS

The following is a summary of certain aspects relating to the Notes by way of supplement to the aspects summarised in the section entitled "*Risk Factors*" in the Base Prospectus.

Risk of losses associated with Interest Only Loans

Further to the risk factor "*Risk of losses associated with Interest Only Loans*" under "*Risk Factors*" in the Base Prospectus, as at 30 November 2008 (the "**Provisional Pool Date**") at the Issue Date approximately 82.49 *per cent.* of the Loans in the Series Portfolio by value constituted Interest Only Loans (see "*Series Portfolio Select Summary Data*" below).

Risk of losses associated with non-owner occupied properties

Further to the risk factor "*Risk of losses associated with non-owner occupied properties*" under "*Risk Factors*" in the Base Prospectus, as at the Provisional Pool Date approximately 32.96 *per cent.* of the Loans in the Series Portfolio by value were secured by non-owner occupied properties (see "*Series Portfolio Select Summary Data*" below).

Risk of losses associated with self-certified Loans

Further to the risk factor "*Risk of losses associated with self-certified Loans*" under "*Risk Factors*" in the Base Prospectus, as at the Provisional Pool Date approximately 45.22 *per cent.* of the Loans in the Series Portfolio by value constituted self-certified Loans (see "*Series Portfolio Select Summary Data*" below).

Geographic concentration of Mortgaged Properties

Further to the risk factor "*Geographic concentration of Mortgaged Properties*" under "*Risk Factors*" in the Base Prospectus, as at the Provisional Pool Date approximately 12.31 *per cent.* of the Loans in the Series Portfolio by value were secured by Properties located in the North West of England, approximately 10.69 *per cent.* of the Loans in the Series Portfolio by value were secured by Properties located in the South East of England (excluding Greater London), approximately 24.26 *per cent.* of the Loans in the Series Portfolio by value were secured by Properties located in Greater London (the outer area), approximately 9.23 *per cent.* of the Loans in the Series Portfolio by value were secured by Properties located in Outer London, approximately 5.02 *per cent.* of the Loans in the Series Portfolio by value were secured by Properties located in the South West of England, approximately 3.31 *per cent.* of the Loans in the Series Portfolio by value were secured by Properties located in Scotland and approximately 2.74 *per cent.* of the Loans in the Series Portfolio by value were secured by Properties located in Northern Ireland (see "*Series Portfolio Select Summary Data*" below).

There may be adverse consequences for Instrumentholders if the new UK Special Regime for the Taxation of Securitisation Companies does not apply to the Issuer and the Series AssetCo

The Taxation of Securitisation Companies Regulations 2006 (SI2006/3206) (the "**Securitisation Regulations**") were made under section 84 of the Finance Act 2005 on 11 December 2006 and were amended by, in particular, the Taxation of Securitisation Companies (Amendment) Regulations 2007, which came into force on 27 December 2007. The Securitisation Regulations deal with the corporation tax position of securitisation companies such as the Issuer and the Series AssetCo with effect for their periods of account beginning on or after 1 January 2007. If the Securitisation Regulations apply to a company, then, broadly, it will be subject to corporation tax on the cash profit retained by it for each accounting period in accordance with the Transaction Documents.

Based on advice received, the Issuer considers that both it and the Series AssetCo will fall to be taxed under the special taxation regime for which provision is made by the Securitisation Regulations.

Investors should note, however, that the Securitisation Regulations are in short form and it is expected that advisors will rely significantly upon guidance from the UK tax authorities when advising on the scope and operation of the Securitisation Regulations, including whether any particular company falls within the new regime.

Investors should note that if the Issuer and/or the Series AssetCo did not fall to be taxed under the new regime then its profits or losses for tax purposes might be different from its cash position. Any unforeseen

taxable profits in the Issuer or the Series AssetCo could have an adverse affect on their ability, respectively, to make payments to Instrumentholders or pursuant to the relevant Series Intercompany Loan.

Risk of losses associated with Loans that have previously been in arrears

Some of the Loans comprised in the Series Portfolio may previously have been in arrears and in relation to such Loans legal action may have been commenced against the relevant Borrowers. As a result of such Borrowers resuming payments and performing their obligations under their Loans, any legal action that may have been commenced have been stopped. There can be no assurance that such Loans will not be more likely to fall into arrears again.

NOTE SPECIFIC CONDITIONS

The following are the Note Specific Conditions relating to the Series 2008-1 Notes and form part of the Conditions as applied to the Notes (but solely with respect to this Issue) by the Trust Deed and constitute the final terms of the Notes in relation to this issue of Notes:

Part A: Issue of the Series Notes

1. Issuer: Uropa Securities PLC
2.
 - 2.1 Series 2008-1
 - 2.2 Tranche First Tranche of each Class of Notes
 - 2.3 Further Tranche Permitted Not Applicable
 - 2.4 Further Tranche Conditions Not Applicable
3. Description of the Notes
 - £279,931,000 Class A Mortgage Backed Floating Rate Notes due 2059 (the "**A Notes**");
 - £32,299,000 Class M1 Mortgage Backed Floating Rate Notes due 2059 (the "**M1 Notes**");
 - £25,260,000 Class M2 Mortgage Backed Floating Rate Notes due 2059 (the "**M2 Notes**" and together with the M1 Notes the "**Class M Notes**");
 - £26,916,000 Class B Mortgage Backed Floating Rate Notes due 2059 (the "**B Notes**");
 - £33,128,000 deferrable interest Class C Mortgage Backed Floating Rate Notes due 2059 (the "**C Notes**");
 - £16,564,000 Class D Mortgage Backed Floating Rate Notes due 2059 (the "**D Notes**");
 - £33,386,000 Class S Mortgage Backed Floating Rate Notes due 2059 (the "**S Notes**").
4. Ratings (S&P/Fitch)
 - 4.1 A Notes AAA/AAA
 - 4.2 M1 Notes AA/AA
 - 4.3 M2 Notes A/A
 - 4.4 B Notes BBB/NR
 - 4.5 C Notes BB-/NR
 - The Class C Deferrable Interest Notes are rated by S&P for ultimate receipt of principal and interest, but not for timely receipt of interest.
 - 4.6 D Notes Unrated
 - 4.7 S Notes Unrated

5.	Note Initial Principal Amount	
5.1	Class	£279,931,000 A Notes
		£32,299,000 M1 Notes
		£25,260,000 M2 Notes
		£26,916,000 B Notes
		£33,128,000 C Notes
		£16,564,000 D Notes
		£33,386,000 S Notes
5.2	Tranche	As class
6.	6.1 Issue Price	72.01 <i>per cent</i> of the Note Initial Principal Amount
	6.2 Net proceeds	Aggregate of £322,252,307.19
7.	Interest Payment Dates	Beginning on 10 March 2009 and thereafter quarterly on the 10 th day of March, June, September and December each year
8.	Issue Date	30 December 2008
9.	Note Issue Subscription Agreement	29 December 2008
10.	Distribution	
	10.1 Lead Manager(s)	The Royal Bank of Scotland plc
	10.2 Stabilising Manager	The Royal Bank of Scotland plc
11.	Dealer(s)	Not Applicable
12.	Governing Law	English Law
13.	Note Notices Newspaper	Pursuant to Condition 16 (<i>Notice to Noteholders</i>) and Subnote Condition 16 (<i>Notice to Subordinated Noteholders</i>)

Part B: Form and Holdings of the Series Notes

14.	Specified denominations	£50,000 and increments of £1,000 in excess thereof or, in respect of the S Notes, £10 in excess thereof;	
15.	Specified Currency	Sterling	
16.	Clearing Systems	Euroclear/Clearstream	
17.	ISIN / CUSIP/ Common Codes	ISIN Code	Common Code
	17.1 A Notes	XS0406658624	40665862

17.2	M1 Notes	XS0406667534	40666753
17.3	M2 Notes	XS0406668938	40666893
17.4	B Notes	XS0406670835	40667083
17.5	C Notes	XS0406671213	40667121
17.6	D Notes	XS0406672294	40667229
17.7	S Notes	XS0406672708	40667270
18.	Delivery	Against payment	
19.	Listing	Ireland	
20.	Admission to trading	It is expected that the listing of the Notes on the official list of the Irish Stock Exchange will be granted on or about 30 December 2008.	
21.	Additional selling restrictions	Not applicable	
22.	Method of distribution	Syndicated	
23.	Authorised holding	Global Note registered in the name of Bank of America National Association as common depository of Euroclear/Clearstream.	
24.	Financial Centre(s) or other special provisions relating to Distribution Dates	London and Dublin	
25.	Redenomination applicable	The provisions in Condition 19 (<i>European Economic and Monetary Union</i>) apply.	

Part C: Interest on the Series Notes

26.	Interest Commencement Date	Issue Date	
27.	Deferral of Interest		
27.1	A Notes	Not Applicable.	
27.2	M Notes	So long as there are A Notes outstanding, interest on the M Notes may be deferred.	
27.3	B Notes	So long as there are A Notes or M Notes outstanding, interest on the B Notes may be deferred.	
27.4	C Notes	Applicable.	
27.5	D Notes	So long as there are A Notes, M Notes, B Notes or C Notes outstanding, interest on the D Notes may be deferred.	
27.6	S Notes	So long as there are A Notes, M Notes, B Notes, C Notes or D Notes outstanding, interest on the S Notes may be deferred.	

28.	Change of Interest Basis or Redemption/Payment Basis	Not Applicable
29.	Step-Up Date	Not Applicable
30.	Margin after Step-Up Date	Not Applicable
31.	Yield	Not Applicable
32.	Fixed Rate Note Provisions	Not Applicable
33.	Floating Rate Note Provisions	
33.1	Specified Distribution Dates	On each Interest Payment Date
33.2	Business Day Convention	Modified Following Business Day Convention
33.3	Business Centre(s)	London and Dublin
33.4	Manner in which the Rate of Interest and the Interest Amount is to be determined	Screen Rate Determination
33.5	Party responsible for calculating the Rate of Interest and Interest Amount (if not the Principal Paying Agent)	Bank of America National Association, a national banking association having its principal place of business in the City of Charlotte, County of Mecklenburg, State of North Carolina, United States of America, organised and existing under the laws of the United States of America, acting through its London Branch at 5 Canada Square, London E14 5AQ. (" Bank of America ") as Agent Bank.
33.6	Screen rate determination	
33.6.1	Reference Rate	3 month sterling LIBOR or, in the case of the first Interest Period, at an annual rate obtained upon interpolation of LIBOR for 2 month sterling deposits and LIBOR for 3 month sterling deposits.
33.6.2	Interest Determination Date(s)	on each Interest Payment Date, or in the case of the first Interest Period, the Issue Date.
33.6.3	Relevant Screen Page	Page reference "LIBOR01" on the Reuters monitor.
33.7	Margin(s)	In respect of the A Notes 0.20 <i>per cent.</i> per annum; In respect of the M1 Notes 0.35 <i>per cent.</i> per annum; In respect of the M2 Notes 0.55 <i>per cent.</i> per annum; In respect of the B Notes 0.75 <i>per cent.</i> per annum; In respect of the C Notes 0.80 <i>per cent.</i> per annum; In respect of the D Notes 4.25 <i>per cent.</i> per annum; In respect of the S Notes 4.25 <i>per cent.</i> per annum;

33.8	Minimum Rate of Interest	Not Applicable
33.9	Maximum Rate of Interest	Not Applicable
33.10	Day Count Fraction	Actual/365
33.11	Fall back provisions, rounding provisions, denominator 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
33.12	Zero Coupon Note provisions	Not Applicable

Part D: Repayment of the Series Notes

34.	Redemption/Payment basis	Redemption at par
35.	Final Maturity Date/Principal Repayment Scheduled Date/Principal Repayment Final Maturity Date	Interest Payment Date falling in June 2059
36.	Final Redemption Amount of each Note	Principal Amount Outstanding on Principal Repayment Final Maturity Date
37.	Mandatory Redemption in part	Applicable
38.	Optional Redemption	Not Applicable
39.	Optional Redemption for Tax Reasons	Applicable
40.	Optional Redemption (Maximum Amount Outstanding)	Applicable
41.	Maximum Amount Outstanding	10 <i>per cent.</i> of the aggregate Principal Amount Outstanding of the A Notes, the M Notes, the B Notes, the C Notes and the D Notes on the Issue Date.
42.	Optional Redemption Amount	Principal Amount Outstanding of the Notes (excluding the S Notes) together with accrued interest.
43.	Call Date	Not Applicable
44.	Early Repayment Amount of each Note	Not Applicable
45.	Additional Series Event of Default	Not Applicable
46.	Deferral of Principal	Not Applicable
47.	Other	Not Applicable

Part E: Listing and Admission to Trading Application

This Supplement comprises the terms required to list and have admitted to trading the issue of Notes described herein pursuant to the Mortgage Backed Securities Programme of Uropa Securities PLC.

Part F: Expenses Relating to Admission to Trading on Regulated Market

The Issuer estimates that the total expense incurred or to be incurred by the Issuer in relation to the admission of the Notes to trading on the Irish Stock Exchange will be approximately EUR7,000.

Part G: Use of Proceeds

The net proceeds from the issue of the Notes and the Class S Notes on the Issue Date (after payment to the Lead Manager of its management and underwriting fees (if any) and selling commission (if any) being part of the issue of the Notes) are expected to amount to approximately £322,252,307.19 (the "**Net Proceeds**") and will be used by the Issuer to advance the equivalent amount of the Net Proceeds to the Series AssetCo pursuant to the Series Intercompany Loans Agreement on the Issue Date.

SERIES SPECIFIC PARTICULARS

Uropa Assets No.2 Limited

Uropa Assets No.2 Limited ("Series AssetCo") was incorporated in England and Wales on 21 July 2008, under the name of Walshamglade Limited, with registered number 6652083 and as a private company with limited liability under the Companies Act 1985 (as amended). The name of Series AssetCo was changed to Uropa Assets No.2 Limited by a written resolution dated 10 November 2008. The registered office of Series AssetCo is at 35 Great St. Helen's, London EC3A 6AP (Tel: +44(0)20 7398 6300). Series AssetCo's authorised share capital comprises 100 ordinary shares of £1 each. Series AssetCo's issued share capital comprises 1 ordinary share of £1 (which is fully paid up).

All of Series AssetCo's issued share capital is held by SFM Corporate Services Limited (the "Series AssetCo Share Trustee") in its capacity as trustee for charitable purposes under a declaration of trust dated 14 November 2008.

The Seller does not own directly or indirectly any of the share capital of Series AssetCo.

Principal Activities

Series AssetCo is organised as a special purpose company. The principal objects of Series AssetCo are as set out in its Memorandum of Association and are, amongst other things, to acquire and hold, by way of investments the shares, stocks, debenture stocks, debentures or other interests of or in any company.

Since its incorporation, Series AssetCo has not engaged in any other activities. Series AssetCo has no employees.

The financial year of Series AssetCo ends on 31 December each year. Since the date of its incorporation, the Series AssetCo has not commenced operation and no financial statements have been made up as at the date of this document. The current financial period of Series AssetCo will end on 31 December 2009. Series AssetCo will not prepare interim financial statements.

Directors and secretary

The following sets out the directors of Series AssetCo and their business addresses and principal activities. Series AssetCo is organised as a special purpose company and will be largely passive, engaging only in the types of transactions described in this Supplement. Series AssetCo will be managed and controlled by its directors in the United Kingdom, however, it is expected that, once the company is conducting business, it will only require a small amount of active management.

<u>Name</u>	<u>Nationality</u>	<u>Business Address</u>	<u>Principal Activities</u>
SFM Directors Limited	British	35 Great St. Helen's, London EC3A 6AP	Acting as corporate company directors of special purpose companies
SFM Directors (No.2) Limited	British	35 Great St. Helen's, London EC3A 6AP	Acting as corporate company directors of special purpose companies
Paivi Helena Whitaker	Finnish	26 Fellbrook, Ham, Richmond, Surrey TW10 7UW	Acting as director of special purpose companies

The directors of SFM Directors Limited and SFM Directors (No.2) Limited are Robert William Berry, Annika Ida Louise Aman Goodwille, Jonathan Eden Keighley, James Garner Smith Macdonald, John Paul Nowacki, Debra Parsall, Cane Pickersgill, Claudia Ann Wallace, and Paivi Helena Acis Whitaker. Their principal activities include the provision of directors and corporate management services to structured finance transactions as directors on the boards of SFM Directors Limited and SFM Directors (No.2) Limited.

The directors of Series AssetCo do not have a specific term of office but each may be removed by a resolution passed at a shareholders' meeting.

Prospective Noteholders should be aware that each of the directors of Series AssetCo has a number of other directorships and private interests. There are no potential or actual conflicts of interest posed as a result of such positions or interests.

The company secretary of Series AssetCo and its business address is:

<u>Name</u>	<u>Business Address</u>
SFM Corporate Services Limited	35 Great St. Helen's, London EC3A 6AP

Litigation

There are no, nor since the incorporation of Series AssetCo on 21 July 2008 have there been any, governmental, legal or arbitration proceedings which may have, or have had, a significant effect on Series AssetCo's financial position. Series AssetCo is not aware that any such proceedings are pending or threatened.

Series AssetCo Corporate Services Agreement

Pursuant to the terms of a corporate services agreement to be dated on or about the Issue Date (the "**Series AssetCo Corporate Services Agreement**"), the Corporate Services Provider will provide certain directors to Series AssetCo and also provide other corporate services to Series AssetCo.

Series Originators

(i) **GMAC-RFC**

- (a) Pursuant to a mortgage sale agreement between, among others, NYM and the Seller dated 30 March 2007 (the "**NYM Mortgage Sale Agreement**"), NYM sold the Seller a portfolio of mortgage loans that were initially originated by GMAC-RFC (the "**NYM Loans**").
- (b) Pursuant to a mortgage sale agreement between, among others, GMAC-RFC and the Seller dated 27 September 2007 (the "**GMAC-RFC I Mortgage Sale Agreement**"), GMAC-RFC sold the Seller a portfolio of mortgage loans (the "**GMAC-RFC I Loans**").
- (c) Pursuant to a mortgage sale agreement between, among others, GMAC-RFC and the Seller dated 22 December 2007 (the "**GMAC-RFC II Mortgage Sale Agreement**"), GMAC-RFC sold the Seller a portfolio of mortgage loans (the "**GMAC-RFC II Loans**", and together with the NYM Loans and the GMAC-RFC I Loans, the "**GMAC Loans**").

(ii) **KMC**

Pursuant to a mortgage sale agreement between, among others, KMC and the Seller dated 25 May 2007 (the "**Kensington Mortgage Sale Agreement**"), KMC sold the Seller a portfolio of mortgage loans that were originated by KMC (the "**KMC Loans**") or acquired by KMC from MPL (the "**MPL Loans**").

(iii) **Edeus**

Pursuant to a mortgage sale agreement between, among others, Edeus and the Seller dated 30 July 2007 (the "**Edeus Mortgage Sale Agreement**"), Edeus sold the Seller a portfolio of mortgage loans (the "**Edeus Loans**").

(iv) **PFL**

Pursuant to a mortgage sale agreement between, among others, RBS and the Seller dated on or about the Issue Date (the "**RBS Mortgage Sale Agreement**"), RBS sold the Seller a portfolio of mortgage loans that were initially originated by PFL (the "**PFL Loans**").

Legal Titleholder

The Seller is the Legal Titleholder of the Series Portfolios, except as described below.

RBS is, as at the date of this Supplement, the Legal Titleholder of certain PFL Loans. It is expected that all transfers of legal title under a Legal Sale between RBS and the Seller will be completed during 2009.

Part A: Series Fees and Expenses

The Issuer shall pay an estimated £1,500,000 in aggregate fees and expenses (exclusive of value added tax if any) to the Transaction Parties. Pursuant to the Series Intercompany Loan Agreement, in consideration for the provision of the Series Intercompany Loans, Series AssetCo will indemnify the Issuer against such fees and expenses. On the Issue Date, an amount equivalent to the estimated fees and expenses shall be deposited in the Series Investment Account, and credited to the Series 2008-1 Closing Expenses Ledger.

Certain other fees and expenses are, where applicable, inclusive of value added tax, which is currently assessed at 15% and will be subject to adjustment if the applicable rate of value added tax exceeds 17.5%. Such fees and expenses are subject to change at any time without the notification to or approval of Noteholders, the Trustee or the Series Security Trustee.

Part B: Series Portfolio

- (i) **Cut-Off Date**
29 December 2008
- (ii) **English Loans**
Applicable.
- (iii) **Scottish Loans**
Applicable
- (iv) **Northern Irish Loans**
Applicable
- (v) **Corporate Loans**
Not Applicable.
- (vi) **Non-Conforming Loans**
Applicable.
- (vii) **Self-Certified Loans**
Applicable.
- (viii) **Owner Occupied Loans**
Applicable.
- (ix) **Investment Home Loans**
Applicable.
- (x) **Right To Buy Loans**
Applicable.

- (xi) **Repayment Loans**
Applicable.
- (xii) **Interest-Only Loans**
Applicable.
- (xiii) **Partial Interest/Repayment Loans**
Applicable.
- (xiv) **Mortgage Early Repayment Charges**
Applicable.
- (xv) **Variable Rate Loans**
Applicable.
- (xvi) **Restricted Rate Loans**
Applicable.
- (xvii) **Fixed Rate Loans**
Applicable.
- (xviii) **Capped Rate Loans**
Not Applicable.
- (xix) **Tracker Rate Loans**
Applicable.
- (xx) **Tracker Rates**
 - (a) The Bank of England repo rate (as determined under the applicable Mortgage Conditions or, in relation to some Loans, under the Series Portfolio Purchase Agreement); and
 - (b) 3 month Sterling LIBOR.
- (xxi) **Discount Rate Loans**
Applicable.
- (xxii) **Substitute Loans**
Applicable.
- (xxiii) **Substitute Loan Conditions**
 - (a) where S&P or Fitch are then a Rating Agency and such Rating Agency has given notice in writing to the Issuer (copied by the Series Cash Manager to the Series Security Trustee and the Trustee) that it wishes to provide a written confirmation to the Issuer as to whether or not the then current ratings of the Notes (if any) in the Series which then remain outstanding will be downgraded, withdrawn or qualified as a result of the substitution of the relevant Substitute Loan (or as otherwise agreed by the Master Servicer, those Rating Agencies and the relevant Series Servicer or the Delegate Special Servicer (as applicable)), then such Rating Agency has provided such a written confirmation (copied by the Issuer to the Series AssetCo, the Series Security Trustee and the Trustee);

- (b) no Series Enforcement Notice has been given by the Series Security Trustee or Enforcement Notice has been given by the Trustee in relation to the Notes which remains in effect;
- (c) the Series Portfolio Warranties have been breached in respect of the Loan being replaced by the Substitute Loan;
- (d) the Series Portfolio Warranties are true in respect of the Substitute Loan;
- (e) the applicable Lending Criteria as at such time have been applied to the Substitute Loan and to the circumstances of the Borrower at the time the Substitute Loan was made;
- (f) there is no deficiency recorded in the Series Principal Deficiency Ledger (excluding the D Principal Deficiency Sub-Ledger);
- (g) the Seller is not in breach of any obligation on its part to repurchase or procure the purchase of any Loan in accordance with the Series Portfolio Purchase Agreement;
- (h) the Substitute Loan was made on the terms of the relevant standard documentation utilised at the time of such Substitute Loan by the same Series Originator to document the terms of Loans;
- (i) the Substitute Loan was made by the same Series Originator of the Loan being substituted;
- (j) the relevant Borrower is not in material breach of the obligations on its part of the terms and conditions applicable (i) to the relevant Substitute Loan and (ii) to the Collateral Security relating to such Substitute Loan;
- (k) the acquisition of the Substitute Loan (and any other Substitute Loans to be acquired on the same date) will not cause the weighted average of the loan-to-value ratios of all Loans in the Series Portfolio, to increase by more than 1.0 *per cent.* (or such other larger percentage as may be agreed with the Rating Agencies) from the weighted average of the loan-to-value ratios of all Loans in the Series Portfolio on the Issue Date (where the loan-to-value ratio in respect of each Loan is determined as the ratio of the Principal Balance of each Loan in the Series Portfolio as at the relevant date to the amount of the most recent valuation of the mortgaged Property relating to such Loan);
- (l) following the acquisition of the Substitute Loan on any date, the product of the WAFF and the WALs, in each case after such acquisition and after all other acquisitions of Substitute Loans to be made on such date calculated on such date in the same way as for the Series Portfolio at the Cut-Off Date (or as otherwise agreed by the Rating Agencies from time to time) would not exceed the product of the WAFF and WALs for the Series Portfolio calculated on the Issue Date, plus 0.25 *per cent.* provided that the figure of 0.25 *per cent.* may be increased from time to time upon the Rating Agencies agreeing that such increase will not adversely affect the then current ratings of the Notes (or as otherwise agreed by the Master Servicer, the Delegate Special Servicer and the Rating Agencies);
- (m) the weighted average (such weighting being by Current Balances) long-term reversionary interest rate of the proposed Substitute Loan is not less than the then prevailing Bank of England repo rate plus 1.00 *per cent.*; and
- (n) the Principal Balance of the Substitute Loan, when added to the sum of the aggregate Principal Balance of any Substitute Loan previously purchased (as at that time) does not exceed 10 *per cent.* of the aggregate Principal Balance of the Loans in the period since the day which is 12 months before the then most recent Series Portfolio Data Date, save that the figure of 10 *per cent.* referred to above may be increased from time to time upon the Rating Agencies agreeing that such increase will not adversely affect the then current ratings by the Rating Agencies of the Notes,

provided, however that if any one of the above conditions is not met, the Seller may make such Substitute Loan upon notice being delivered to each of the Rating Agencies, the Security Trustee and the Trustee, and (in the case of S&P) the Rating Agency has confirmed to the Issuer that this will not result in the then current ratings of the Notes in the Series which then remain outstanding being downgraded, withdrawn or qualified.

"Principal Balance" means, in relation to any Loan and on any date, the original principal amount advanced to the Borrower plus any other disbursement, legal expense, fee, charge or premium capitalised and added to the amounts secured by the relevant Mortgage in accordance with the conditions of the Loan on or prior to such date (including, for the avoidance of doubt, capitalised interest) plus, in relation to a Loan and the Mortgage relating thereto, any advance of further monies to the Borrower on the security of the relevant Mortgage after the date of completion of such Loan less any repayments of such amounts.

"Lending Criteria" means the GMAC-RFC Lending Criteria, the KMC Lending Criteria, the Edeus Lending Criteria, the PFL Lending Criteria or the MPL Lending Criteria, as the case may be.

(xxiv) **Arrears Loans**

Applicable.

(xxv) **Ported Loans**

Applicable.

(xxvi) **Ported Loan Conditions**

- (a) the relevant Borrower is not in material breach of the obligations on its part of the terms and conditions applicable (i) to the relevant Ported Loan and (ii) to the Collateral Security relating to such Ported Loan;
- (b) the LTV of the Ported Loan is not more than 10 *per cent.* higher than the current LTV of the existing Loan;
- (c) the amount of the Ported Loan is not higher than the amount of the existing Loan;
- (d) the repayment terms of each Ported Loan are substantially the same as the repayment terms of the existing Loan;
- (e) the margin on the Ported Loan is at least the same as the existing Loan;
- (f) the amount of the Series Liquidity Reserve Fund was not less than the Series Liquidity Reserve Fund Required Amount on the immediately preceding Distribution Date; and
- (g) each of the conditions set out under the heading "*Converted Loan Conditions*" is satisfied in respect of the relevant Ported Loan,

provided, however that if any one of the above conditions is not met, the Seller or the Series AssetCo, as the case may be, may make such Ported Loan upon notice being delivered to each of the Rating Agencies, the Security Trustee and the Trustee, and (in the case of S&P) the Rating Agency has confirmed to the Issuer that this will not result in the then current ratings of the Notes in the Series which then remain outstanding being downgraded, withdrawn or qualified.

(xxvii) **Converted Loans**

Applicable.

(xxviii) **Converted Loan Conditions**

- (a) where S&P or Fitch are then a Rating Agency and such Rating Agency has given notice in writing to the Issuer (copied by the Series Cash Manager to the Series Security Trustee and the Trustee) that it wishes to provide a written confirmation to the Issuer as

to whether the then current ratings of the Notes (if any) in the Series which then remain outstanding will not be downgraded, withdrawn or qualified as a result of the relevant Converted Loan (or as otherwise agreed by the Master Servicer, those Rating Agencies and the relevant Series Servicer or the Delegate Special Servicer (as applicable)), then such Rating Agency has provided such a written confirmation (copied by the Issuer to the Series AssetCo, the Series Security Trustee and the Trustee);

- (b) no Loan relating to the relevant Converted Loan and no agreement to make any such Ported Loan will result in a breach of the Financial Services and Markets Act 2000 by the Series AssetCo, the Seller, any Legal Titleholder, the Series Servicer, the Master Servicer or the Delegate Special Servicer;
- (c) all the Series Portfolio Warranties applicable to the relevant Converted Loan are correct in relation to that Converted Loan;
- (d) the Converted Loan will have at least the same priority and ranking as it had prior to such conversion;
- (e) following the time of making of the relevant Converted Loan, the aggregate of the Principal Balances (at that time) of the Loans in the Series Portfolio in respect of which a conversion has occurred in the period since the day which is 12 months before the then most recent Series Portfolio Data Date will not exceed 1.0 *per cent.* of the aggregate of the Principal Balances (as at such Series Portfolio Data Date) of the Loans in the Series Portfolio;
- (f) the amount of the Series Liquidity Reserve Fund was not less than the Series Liquidity Reserve Fund Required Amount on the immediately preceding Distribution Date;
- (g) there is no material difference, as regards compliance with applicable legal and/or regulatory requirements (including, without limitation, the CCA, FSMA and the Unfair Terms Regulations), which would result in a worse position for the lender between the Converted Loan relating to the relevant conversion and a comparable Loan which is in, as at the Issue Date, the Series Portfolio; and
- (h) each of the conditions set out under the heading "*Common requirements of Loan changes*" in these Series Specific Provisions is satisfied in respect of the relevant Converted Loan,

provided, however that if any one of the above conditions is not met, the Seller or the Series AssetCo, as the case may be, may make such Converted Loan upon notice being delivered to each of the Rating Agencies, the Security Trustee and the Trustee, and (in the case of S&P) the Rating Agency has confirmed to the Issuer that this will not result in the then current ratings of the Notes in the Series which then remain outstanding being downgraded, withdrawn or qualified.

"**Series Portfolio Data Date**" means at any time the last day of the calendar month before the then most recent Determination Date in relation to the Series.

"**Unfair Terms Regulations**" means The Unfair Terms in Consumer Contracts Regulations 1994 or The Unfair Terms in Consumer Contract Regulations 1999

(xxix) **Block Buildings Policies**

Not Applicable.

(xxx) **Third Party Policies**

Applicable.

"**Third Party Policies**" means the buildings insurance policies referable to each Property in the Series Portfolio.

(xxxi) **Life Policies**

Not Applicable.

(xxxii) **ASU Policies**

Not Applicable.

(xxxiii) **All Other Policy Cover**

Applicable.

"**LSII Policy**" means the local search indemnity insurance policy (policy number 0580CQ10559) granted by Norwich Union relating to certain losses resulting from adverse entries against the relevant Properties the subject of Kensington Loans in the register of local land charges or replies to enquiry in Form Con29 of the local authority or sewerage undertaker.

"**Title Insurance Policy**" in respect of the Kensington Loans, means the title insurance policy granted by First Title Insurance plc to Norland Capital Limited (now known as Kensington Mortgages Limited) (and its subsidiaries and holding companies and subsidiaries of such holding companies (as such terms are defined in the Companies Act 1985 (as amended))) under a Remortgage Scheme Agreement (Policy Number HLPP (E&W) - 6807) dated 6 September 2002 (as amended, varied and supplemented by the parties to it from time to time); and, in respect of the GMAC Loans, means each title insurance policy which has or, as the context may require, ought to have been arranged with an insurer in relation to a GMAC Loan in accordance with the applicable Lending Criteria, the Standard Documentation and/or the terms upon which the relevant GMAC Loan was offered to the Borrower and, in each case, any other insurance contracts in replacement, addition or substitution therefore from time to time (including in each case any endorsements or extensions thereto as issued from time to time).

"**Adult Occupiers Policy**" means The Lender Policy - Coverage for Known Risk (Lack of Adult Occupiers Licence) granted by First Title Insurance plc to KMC (policy number HLPP (E&W) 0634260071) relating to a third party enforcing occupancy rights against KMC where, *inter alia*, a Deed of Consent was not obtained as at the date of the relevant Kensington Loan.

"**Contingency Policy**" means the insurance policy (policy number 221025) granted by Lothbury Insurance Company Limited in favour of The Royal Bank of Scotland Group plc and certain of its affiliates relating to the repayment of any outstanding debt to The Royal Bank of Scotland Group plc or the relevant affiliate where the relevant property is damaged and The Royal Bank of Scotland Group plc or the relevant affiliate is unable to recover because the owner cannot or will not claim the cost of repairing or replacing the damaged parts of the property under his own insurance due to, amongst other things, the owner's failure to effect or renew such insurance, cancellation of the insurance, reduction of the scope of cover or the sum insured or the insurers having declared the insurance void or having declined to pay a claim because of failure to comply with the conditions of the insurance or the operation of an exclusion.

The Seller and the Series AssetCo will have the benefit of the Contingency Policy in relation to Properties secured by Mortgages securing PFL Loans. In relation to other Properties, the Contingency Policy will not provide cover.

The Series AssetCo will have the benefit of certain other insurance policies, which may include local search indemnity insurance policies, title insurance policies, block building policies and contingency policies in relation to Properties secured by Mortgages, or in relation to Loans, comprised in the Portfolio.

(xxxiv) **Further Advances**

Applicable.

(xxxv) **Further Advance Conditions**

- (a) the relevant Borrower is not in material breach of its obligations in relation to the Loan relating to the relevant Further Advance;
- (b) the Seller is not in breach of any obligation on its part to repurchase any Loan under the Series Portfolio Purchase Agreement;
- (c) the amount of the Further Advance does not exceed the amount then standing to the credit of the Series Principal Ledger;
- (d) either no mortgage or charge is held by a person other than the Series AssetCo (or the Legal Titleholder on behalf of the Series AssetCo) in relation to the relevant Property or, where such a mortgage or charge exists, either the holder has entered into a deed under which the ranking of such mortgage or charge is postponed to the relevant Mortgage which secures or will secure the relevant Further Advance or such mortgage or charge will be fully redeemed upon the relevant Further Advance being made;
- (e) the relevant Further Advance and each Loan in respect of the Mortgage are included in the Series Portfolio;
- (f) the proposed Further Advance will have at least the same priority and ranking as each other Loan which is secured by the same Mortgage;
- (g) there is no material difference, as regards compliance with applicable legal and/or regulatory requirements (including, without limitation, the CCA, FSMA and the Unfair Terms Regulations), which would result in a worse position for the lender between the Further Advance and a comparable Mortgage which is in, as at the Issue Date, the Series Portfolio;
- (h) the amount of the Series Liquidity Reserve Fund was not less than the Series Liquidity Reserve Fund Required Amount on the immediately preceding Distribution Date; and
- (i) each of the conditions set out under the heading "*Common requirements for Mortgage changes*" in these Series Specific Provisions is satisfied in respect of the relevant Further Advance,

provided, however that if any one of the above conditions is not met, the Seller or the Series AssetCo, as the case may be, may make such Further Advance upon notice being delivered to each of the Rating Agencies, the Security Trustee and the Trustee, and (in the case of S&P) the Rating Agency has confirmed to the Issuer that this will not result in the then current ratings of the Notes in the Series which then remain outstanding being downgraded, withdrawn or qualified.

(xxxvi) **Pre-Funded Loans**

Applicable. The Pre-Funding Acquisition Date shall be a date which falls on or before the first Distribution Date, when Pre-Funded Loans may be purchased from the Seller by the Series AssetCo, and included in the Series Portfolio.

On the Issue Date, an amount from the proceeds of the issue of the Instruments will be credited to the Series Investment Account (and a corresponding credit made to the Series Pre-Funding Ledger). The Issuer may apply such amount, on any Business Day up to and including the Pre-Funding Acquisition Date, in payment of the consideration payable by the Issuer for the purchase (each a "**Pre-Funded Loan Acquisition**") of additional Loans (each a "**Pre-Funded Loan**") from the Series Portfolio Seller if the conditions set out below (the "**Pre-Funded Loan Acquisition Conditions**") are satisfied in relation to the relevant Pre-Funded Loan Acquisition.

In addition, the Series Portfolio Seller will be required pursuant to the terms of the Series Portfolio Purchase Agreement to make, as at the date of the relevant Pre-Funded Loan Acquisition, the same Series Portfolio Warranties in respect of any purchases of Pre-Funded Loans as the Series Portfolio Seller made as at the Issue Date in relation to the similar Loans purchased on the Issue Date.

Despite such requirements in respect of each Pre-Funded Loan Acquisition, there can be no certainty that all the Pre-Funded Loans comprised within the Series Portfolio will have a similar proportion of Variable Rate Loans, Restricted Rate Loans, Fixed Rate Loans, Tracker Rate Loans, Discount Rate Loans, Self-Certified Loans, Owner Occupied Loans, Investment Home Loans, Right To Buy Loans, Repayment Loans, Interest-Only Loans and Partial Interest/Repayment Loans or similar geographic concentration characteristics as the Loans comprising the Series Portfolio as at the Issue Date.

Any outstanding balance in the Series Pre-Funding Ledger as at the Distribution Date falling on the Pre-Funding Acquisition Date in relation to the Series (taking into account any debits made on that Ledger on such date) will be credited on that Distribution Date to the Series Principal Ledger.

Pre-Funded Loan Acquisition Conditions

The acquisition by the Series AssetCo of a Pre-Funded Loan is subject to the following conditions as specified below:

- (a) no Enforcement Notice has been given by the Trustee which remains in effect;
- (b) the Series Portfolio Warranties are true in respect of the Pre-Funded Loan;
- (c) the Lending Criteria as at the time of origination have been applied to the Pre-Funded Loan and to the circumstances of the Borrower at the time the Pre-Funded Loan was made;
- (d) the final maturity date of the Pre-Funded Loan does not extend beyond the Interest Payment Date falling in June 2047;
- (e) following the acquisition of the Pre-Funded Loan on any date the weighted average LTV for the Series Portfolio after such acquisition, and after all other acquisitions of Pre-Funded Loans to be made on such date, calculated on such date in the same way as for the initial Series Portfolio (or as otherwise agreed by the Rating Agencies from time to time) would not increase by more than 1.00 *per cent.*;
- (f) following the acquisition of the Pre-Funded Loan on any date the weighted average Stabilised Margin ("WASM") for the Mortgage Pool after such acquisition and after all other acquisitions of Pre-Funded Loans to be made on such date calculated on such date in the same way as for the initial Series Portfolio (or as otherwise agreed by the Rating Agencies from time to time) would not be more than 100 basis points lower than the WASM of the initial Series Portfolio. "Stabilised Margin" means, in respect of any Loan, the margin rate on such Loan after expiry of any applicable fixed or discount rate period; and
- (g) without prejudice to the particularity of paragraphs (e) and (f) above, following the acquisition of the Pre-Funded Loan on any date the characteristics of the Series Portfolio after such acquisition and after all other acquisitions of Pre-Funded Loans to be made on such date would not be substantially different from the characteristics of the initial Series Portfolio.

(xxxvii) **Pre-Funded Loan Amount**

An amount equal to 0.99 *per cent.* of the Principal Amount Outstanding of the Class A Notes, Class M Notes, the Class B Notes, the Class C Deferrable Interest Notes and the Class D Notes at the Issue Date.

(xxxviii) **Flexible Loans**

Not Applicable.

(xxxix) **Flexible Mortgage Commitment Fee**

Not Applicable.

(xl) **Flexible Drawing Available Amount**

Not Applicable.

(xli) **Flexible Mortgage Commitment Fee Minimum Rate**

Not Applicable.

(xlii) **Common requirements for Loan changes**

- (a) The aggregate of amounts which as at the then most recent Series Portfolio Data Date are three months or more in arrears in relation to Loans in the Series Portfolio does not exceed 17 *per cent.* of the aggregate Current Balance as at such Series Portfolio Data Date of all Loans in the Series Portfolio, provided that such figure of 17 *per cent.* may be increased from time to time upon S&P and Fitch providing written confirmation to the Issuer (copied by the Series Cash Manager to the Trustee and the Series Security Trustee) that the then current ratings of the Notes (if any) which then remain outstanding will not be downgraded, withdrawn or qualified as a result of the relevant increase (or as otherwise agreed by the Master Servicer, and S&P and Fitch);
- (b) The Further Advance, Ported Loan or the Loan relating to the relevant Mortgage Type Conversion (as the case may be) conforms to the applicable Lending Criteria (including, without limitation, as regards permitted product type and characteristics) as applied to any Loan which is, as at the Issue Date, in the Series Portfolio or other Lending Criteria (including, without limitation, as regards permitted product type and characteristics) (provided that S&P and Fitch have provided written confirmation to the Issuer (copied by the Issuer to the Trustee) that the then current ratings of the Notes (if any) which then remain outstanding will not be downgraded, withdrawn or qualified as a result of the application of such other Lending Criteria;
- (c) The relevant Borrower has not been in arrears in relation to the relevant Loan at any time during the period of three months ending on the date upon which the proposed Further Advance, Ported Loan or Converted Loan (as the case may be) is to be made or to occur;
- (d) The provisions of the CCA are satisfied (so far as they are applicable to the relevant Further Advance, Ported Loan or Converted Loan (as the case may be) and the original Loan);
- (e) No Series Enforcement Notice has been delivered by the Series Security Trustee or Enforcement Notice has been delivered by the Trustee in relation to the Notes which remain in effect;
- (f) The weighted average (such weighting being by Current Balances) long-term reversionary interest rate of the proposed Further Advances, Ported Loans or Converted Loans (as the case may be) is not less than the then prevailing Bank of England repo rate plus 1.00 *per cent.*;
- (g) The final scheduled due date for full repayment of the relevant Further Advance, Ported Loan or the Loan relating to the relevant Mortgage Type Conversion is not after the Interest Payment Date falling in June 2047;
- (h) The making of the proposed Further Advance, Ported Loan or Converted Loan (as the case may be) will not cause the aggregate amount of Further Advances and the Principal Balances of Loans in respect of which conversions have occurred on or after the Issue Date in respect of Loans in the Series Portfolio to exceed 10 *per cent.* of the aggregate Principal Balance in respect of the Loans included in the Series Portfolio as at the Issue Date;
- (i) There is no debit balance on the Series Principal Deficiency Ledger (excluding the D Principal Deficiency Sub-Ledger);

- (j) The average of the Principal Balances in respect of the Loans included in the Series Portfolio will not, as a result of the making of such Further Advance, Ported Loan or Converted Loan (as the case may be and, for the avoidance of doubt, including each other Further Advance or Converted Loan, if any, which is being made on the same day), exceed by more than 1.00 *per cent.* the average of the Principal Balances in respect of the Loans included in the Series Portfolio as at the then most recent Series Portfolio Data Date;
- (k) Following the making of the Further Advance, Ported Loan or Converted Loan (as the case may be) on a day, other than a Determination Date, the product of the "WAFF" (being the weighted average foreclosure frequency as calculated using a deterministic financial model supplied to the Master Servicer by S&P and Fitch) and the "WALS" (being the weighted average loss severity as calculated using a deterministic financial models supplied to the Master Servicer by S&P and Fitch) for the Series Portfolio calculated on the immediately preceding Determination Date in the same way as for the Series Portfolio as at the Issue Date (or as agreed by the Master Servicer, and S&P and Fitch from time to time) would not exceed the product of the WAFF and WALS calculated on the Issue Date in respect of the Series Portfolio as at such Issue Date plus 0.25 *per cent.*, provided that such figure of 0.25 *per cent.* may be increased from time to time upon S&P and Fitch providing written confirmation to the Issuer (copied by the Series Cash Manager to the Series AssetCo and the Trustee) that the then current ratings of the Notes (if any) which then remain outstanding will not be downgraded, withdrawn or qualified as a result of the relevant increase (or as otherwise agreed by the Master Servicer, and S&P and Fitch);
- (l) The Further Advance, Ported Loan or Converted Loan (as the case may be) is made on the terms of the applicable pro forma mortgage documentation then in use by the Master Servicer, the relevant Series Servicer or the Delegate Special Servicer (as applicable) except to such exceptions that would be agreed, done or made (on the basis of the particular facts and circumstances) on a case by case exceptional basis by a Prudent Mortgage Lender (provided that such terms are not materially different in any material respect from such terms as are in such use at the Issue Date except for differences required to comply with applicable legal and/or regulatory requirements or differences that would be agreed by a Prudent Mortgage Lender); and
- (m) The acquisition of the Further Advance, Ported Loan or Converted Loan (and any other Further Advances or Converted Loan to be made or permitted, as the case may be, on the same date) will not cause the weighted average of the loan-to-value ratios of all Loans in the Series Portfolio, to increase by more than 1.00 *per cent.* (or such other larger percentage as may be agreed with the Rating Agencies) from the weighted average of the loan-to-value ratios of all Loans in the Series Portfolio on the Issue Date (where the loan-to-value ratio in respect of each Loan is determined as the ratio of the Principal Balance of each Loan in the Series Portfolio as at the relevant date to the amount of the most recent valuation of the mortgaged Property relating to such Loan).

(xlili) **Representations and Warranties**

On the Issue Date in relation to any Loan (other than a Further Advance) and its Collateral Security, the Seller will represent and warrant to the Series AssetCo and separately to the Series Security Trustee that:

Series 2008-1 Portfolio Warranties - Loans

- (a) The particulars of the Series Portfolio (if any) (as set out in Annexure 1 of the Series Portfolio Purchase Agreement) are complete, true and accurate in all material respects in respect of the data fields described in Schedule 2 of the Series Portfolio Purchase Agreement as at the Cut Off Date and in relation to all Loans the details of such loans as recorded in the computer system of the Seller or the Programme Servicer, to the extent they relate to data fields in Schedule 2 of the Series Portfolio Agreement, are complete, true and accurate in all material respects as at the Cut Off Date;

- (b) an amount equal to at least 50 *per cent.* of the first scheduled payment in respect of each Loan has been received within two months of the first scheduled payment becoming due;
- (c) no Loan has a final maturity date after the Interest Payment Date falling in June 2047;
- (d) the weighted average (such weighting being by Current Balances) long-term reversionary interest rate of GMAC Loans which are Standard Variable Rate Loans is not less than the then prevailing Bank of England repo rate plus 2.00 per cent.;
- (e) the Lending Criteria were satisfied at the time of origination of each Loan;
- (f) each Loan and its Related Security was made on the terms of the applicable Standard Documentation without any material variation thereto and nothing has been done subsequently to add to, lessen, modify or otherwise vary the express provisions of any of the same in any material respect (other than in cases where the Series AssetCo's prior written consent was obtained);
- (g) no Borrower is an employee or director of the relevant Series Originator;
- (h) the amount outstanding under each Loan is a valid debt to the Seller from the Borrower and the terms of each Loan and its Related Security constitute valid, binding and enforceable obligations of the relevant parties except that (i) enforceability may be limited by bankruptcy, insolvency or other similar laws of general applicability affecting the enforcement of creditors' rights generally and the courts' discretion in relation to equitable remedies and (ii) this Series 2008-1 Portfolio Warranty shall not apply in respect of any redemption fees;
- (i) no agreement for any Unregulated Loan is a consumer credit agreement (as defined in Section 8 of the Consumer Credit Act 1974) or constitutes any other agreement regulated or partly regulated by the Consumer Credit Act 1974 (other than Sections 137 to 140 of such Act) or any modification or re enactment thereof;
- (j) all Regulated Loans comply with all of the legal requirements of, and procedures set out in, the Consumer Credit Act 1974 and all secondary legislation made pursuant thereto;
- (k) no Loan constitutes an extortionate credit bargain for the purpose of sections 137 to 140 of the Consumer Credit Act 1974;
- (l) there are no outstanding obligations on the Seller to make any Further Advances (excluding any Retentions) to any Borrower;
- (m) in relation to any leasehold Property, in any case where the Seller has received written notice from the relevant landlord that it is or may be taking reasonable steps to forfeit or irritate the lease of that Property, the Seller has taken such reasonable steps (if any) and in such time as would be taken by a Prudent Mortgage Lender to protect its security and the Loan;
- (n) no Loan is currently repayable in a currency other than Sterling;
- (o) the original advance being made under each Loan was £25,001 or more but less than £2,000,000;

Valuation

- (p) in the case of each Loan, the relevant Series Originator caused to be made on its behalf a valuation of the relevant Property in all material respects in accordance with the Lending Criteria;
- (q) the Seller has not agreed to waive any of its rights against any valuer, solicitor, licensed or qualified conveyancer or other professional who has provided information, carried out work or given advice in connection with any Loan or Related Security;

The Properties

- (r) all of the Properties are residential and located in England, Wales, Scotland or Northern Ireland;
- (s) except in any case where the related Property is covered by a valid policy of insurance in respect of title (howsoever described) to such Property, prior to making a Loan to a Borrower the relevant Series Originator:
 - (1) caused its Approved Solicitors or Approved Conveyancers to carry out in relation to the relevant Property all investigations, searches and other actions and enquiries which a Prudent Mortgage Lender or its solicitors normally make when lending to an individual on the security of residential property, as the case may be, in England, Wales, Scotland or Northern Ireland; and
 - (2) received a Certificate of Title from Approved Solicitors or Approved Conveyancers relating to such Property and the results thereof were such as would be acceptable to a Prudent Mortgage Lender in order to proceed with the Loan;
- (t) the Borrower has good and marketable title to the relevant Property (subject to registration of the title at the Land Registry, the Registers of Scotland or the Land Registry of Northern Ireland or the Registry of Deeds (the "**Land Registers of Northern Ireland**") free from any encumbrance (except the Mortgage and subject to any Existing Tenancy Agreements and any subsequent ranking mortgage and, in relation to a Right to Buy Loan, any charge or security which may arise or be granted in favour of the relevant Local Authority which has not been postponed) which would materially adversely affect such title;

The Mortgages

- (u) after the entry into of the RBS Mortgage Sale Agreement, the Edeus Mortgage Sale Agreement, the NYM Mortgage Sale Agreement, the GMAC-RFC I Mortgage Sale Agreement, the GMAC-RFC II Mortgage Sale Agreement and the Kensington Mortgage Sale Agreement, all steps necessary to perfect the Seller's title to each Loan were duly taken or are in the process of being taken with all due diligence and the relevant Series Originator and the Seller is not aware of any caution, notice, inhibitions or restrictions which would prevent the registration or recording of the Loan in due course;
- (v) no Loan is subject to any right of rescission, set-off, lien, counterclaim or defence and there are no outstanding claims by the relevant Series Originator or the Seller in respect of any material breaches of the terms of any Loan;
- (w) the Seller has not waived any of its rights under or in relation to a Loan which would materially reduce the value of the Loan;
- (x) the terms of the agreement relating to each Loan are not "unfair terms" within the meaning of The Unfair Terms in Consumer Contracts Regulations 1994 or The Unfair Terms in Consumer Contract Regulations 1999 but this Series 2008-1 Portfolio Warranty shall not be construed so as to apply in respect of any redemption fees or other charges;
- (y) except for any prior ranking statutory charge (as referred to in section 156 of the Housing Act 1985), each Loan is secured by a first ranking legal mortgage or standard security over the relevant Property;
- (z) the Seller has complied with all applicable requirements of law or of any person who regulatory authority which has the force of law in respect of the Loans including, in particular, MCOB (the FSA Mortgages Conduct of Business Sourcebook);

Third Party Occupiers

- (aa) in relation to each Mortgage every person who, at the date upon which the relevant Loan was made, had attained the age of seventeen and who had been notified to the relevant Series Originator as residing or being about to reside in a Property subject to a Mortgage, is either the relevant Borrower or has signed a Deed of Consent;

Insurance - Buildings

- (bb) so far as the Seller is aware each Property was insured either:
- (1) (other than in the case of the PFL Loans) at the date of completion of the relevant Loan under the Third Party Policies:
 - (A) with a reputable insurance company approved by the relevant Series Originator;
 - (B) against all risks usually covered by a Prudent Mortgage Lender in England and Wales, advancing money on the security of residential property; and
 - (C) to an amount not less than the full reinstatement cost as determined by the relevant valuer; and/or
 - (2) (in the case of the PFL Loans) under the Contingency Policy;

Insurance — General

- (cc) the Insurance Policies are in full force and effect and, all premiums payable thereon have been paid and, so far as the Seller is aware, the relevant policies are valid and enforceable and the Seller has not received notice that there are, and is not otherwise aware of, any reasons why an insurer may refuse to accept liability under the same;

Seller's Title

- (dd) save for Title Deeds held at the Land Registry, the Registers of Scotland or the Land Registers of Northern Ireland all the Title Deeds and the mortgage files and computer tapes relating to each of the Loans and their Related Security are held by the Seller or its solicitors or agents and the Title Deeds held at the Land Registry or the Land Registers of Northern Ireland are held on the basis that any such Title Deeds shall be returned to the Seller or its solicitors or agents;
- (ee) the Seller has good and marketable title to, and is (save as disclosed in "*Series Specific Particulars - Legal Titleholder*") the absolute unencumbered legal and beneficial owner of, each Loan and its Related Security, subject in each case only to this Agreement, the Borrowers' equity of redemption or any Existing Tenancy Agreements and subject to registration or recording at the Land Registry, or the Land Registers of Northern Ireland of the Seller as proprietor or registered owner or heritable creditor of the relevant Mortgage;

Litigation

- (ff) the Seller has not received written notice and is not aware of any litigation or claim which may have a material adverse affect on the Seller's title to any Loan or Related Security;

Seller's Licences, consents etc.

- (gg) the Seller has made all notifications as required under the provisions of the Data Protection Act 1998 to enable it to perform its obligations under the Series Transaction Documents to which it is a party;

- (hh) the Seller has at all relevant times held a subsisting licence under the terms of the Consumer Credit Act 1974 to carry on consumer credit business in England and Wales, Scotland and Northern Ireland;
- (ii) all formal approvals, consents and other steps necessary to permit a legal transfer and assignment of the Loans and their related Mortgages and the other Related Security to be sold under the Series Portfolio Purchase Agreement have been obtained or taken;
- (jj) the relevant Series Originator or the Seller or its agents (as applicable) has, since the making of each Loan, kept such accounts, books and records as are necessary to show all material transactions, payments, receipts and proceedings relating to that Loan and its Mortgage and the Related Security and all such accounts, books and records are in the possession of the Seller or its agents;
- (kk) in relation to any Right to Buy Loan, in the case of English Loans, the relevant Series Originator was at the time of origination an approved lending institution within the meaning given to that expression in the Housing Act 1985 and the original advance was made to a person exercising the right to buy;

Series 2008-1 Portfolio Warranties - FSA Regulation

- (ll) in respect of any Mortgages entered into after 31 October 2004, to the best of the Seller's knowledge the relevant Series Originator was authorised by and had permission from the FSA for entering into regulated mortgage contracts as lender at the time that it entered into each such Mortgage and continues to be so authorised and hold such permission;
- (mm) to the best of the Seller's knowledge the relevant Series Originator was, at the relevant time, authorised by and had permission from the FSA for conducting any other regulated activities (as defined in The Financial Services and Markets Act 2000) carried on by it in respect of each Mortgage;
- (nn) to the best of the Seller's knowledge the relevant Series Originator have complied with all Regulatory Requirements in respect of the Mortgages, including the provisions of MCOB;
- (oo) each officer or employee of the Seller in any capacity which involves a controlled function (as defined in the FSA Rules) or involves the supervision of any person or persons so engaged is and was at all relevant times a validly registered "approved person" in accordance with the FSA Rules;
- (pp) the Seller has created and maintained with an agent all records in respect of the Mortgages in accordance with the FSA Rules and any other regulatory requirement; and
- (qq) so far as the Seller is aware to the extent that any of the Loans qualify as "distance contracts" (as defined by Article 2 of the Distance Marketing of Consumer Financial Services Directive) the relevant Series Originator had complied with the relevant provisions of the Distance Marketing of Consumer Financial Services Directive, as implemented in the United Kingdom;

Financial Assets

- (rr) Each Loan (including any Further Advances) sold by the Seller to the Series AssetCo pursuant to the Series Portfolio Purchase Agreement will be, at the time when the Series AssetCo acquires such Loan (or as the case may be such Further Advance), a "financial asset" as defined in:
 - (1) United Kingdom Financial Reporting Standard 25 ("**FRS 25**") (if the Series AssetCo prepares its statutory individual entity financial statements for the period in which such acquisition occurs in accordance with FRS 25); or

- (2) International Accounting Standard 32 ("IAS 32") (if the Series AssetCo prepares its statutory individual entity financial statements for the period in which such acquisition occurs in accordance with IAS 32);

but does not include:

- (1) shares (other than shares in a securitisation company which is party to the capital market arrangement);
- (2) derivative contracts as defined for the purposes of Schedule 26 to the Finance Act 2002 where the underlying subject matter is or includes shares (other than shares in a securitisation company which is party to the capital market arrangement) or land;
- (3) loan relationships with embedded derivatives within section 94A(1) of the Finance Act 1996 (loan relationships with embedded derivatives) where the underlying subject matter of the embedded derivative is or includes shares or land; and
- (4) relevant assets within paragraph 7(1) of Schedule 6 to the Finance (No.2) Act 2005 (loan relationships with embedded derivatives) where the underlying subject matter of any embedded derivative is or includes shares or land.

Series 2008-1 Portfolio Warranties - Further Advances

- (ss) Each Further Advance constitutes a legal, valid, binding and enforceable obligation of the relevant Borrower and each relevant Loan securing that Further Advance secures the repayment of all advances, interest, costs and expenses payable by the relevant Borrower to the Mortgagee in priority, in the case of a Mortgage which is a first ranking mortgage or standard security, to any other mortgages, standard securities, charges or securities (including without limitation those registered or recorded against the relevant Property) but subject to, in relation to Right to Buy Loans, any charge in favour of the relevant Local Authority where such charge has not been postponed.
- (tt) The beneficial interest in the Further Advance is vested in the Series AssetCo pursuant to the Series Portfolio Purchase Agreement and/or the Scottish Declaration of Trust.
- (uu) Prior to making a Further Advance to a Borrower, all investigations, searches and other actions that are required to be undertaken pursuant to the Programme Servicing Agreement were duly undertaken.
- (vv) Prior to making a Further Advance to a Borrower, the nature and amount of each Further Advance and the circumstances of the relevant Borrower satisfied the relevant Lending Criteria in all material respects.
- (ww) Each Further Advance has been made on the terms of the Standard Documentation of the relevant Series Originator (so far as applicable) without material variation.
- (xx) No agreement for any Further Advance is or includes any agreement regulated or partly regulated by the Consumer Credit Act 1974 (other than Sections 137 to 140 of the Act) or, to the extent that it is so regulated or partly regulated, the Originator has complied with the requirements of the Consumer Credit Act 1974. Each agreement for a Further Advance complies with the Unfair Terms in Consumer Contracts Regulations 1994 and Unfair Terms in Consumer Contracts Regulations 1999.
- (yy) No Borrower, Mortgagor or guarantor in respect of a Further Advance is an employee of the relevant Originator.

Each of the Series 2008-1 Portfolio Warranties shall be construed as a separate Series 2008-1 Portfolio Warranty and (save as expressly provided to the contrary) shall not be limited or restricted by reference to, or inference from, the terms of any other Series 2008-1 Portfolio Warranty or any other term of the Series Portfolio Purchase Agreement.

"Standard Documentation" means:

- (a) in relation to the GMAC Loans, the documents which have been used by or on behalf of GMAC-RFC in connection with its activities as a lender and on which the GMAC Loans have been originated and the Mortgages in respect of the GMAC Loans have been granted;
- (b) in relation to the Kensington Loans, the documents which have been used by or on behalf of Kensington in connection with its activities as a lender and on which the KMC Loans have been originated and the Mortgages in respect of the KMC Loans have been granted;
- (c) in relation to the MPL Loans the documents which have been used by or on behalf of Money Partners Limited in connection with its activities as a lender and on which the MPL Loans have been originated and the Mortgages in respect of the MPL Loans have been granted;
- (d) in relation to the Edeus Loans the documents which have been used by or on behalf of Edeus in connection with its activities as a lender and on which the Edeus Loans have been originated and the Mortgages in respect of the Edeus Loans have been granted; and
- (e) in relation to the PFL Loans the documents which have been used by or on behalf of PFL in connection with its activities as a lender and on which the PFL Loans have been originated and the Mortgages in respect of the PFL Loans have been granted.

"Unregulated Loan" has the meaning given in Section 8 of the Consumer Credit Act 1974.

"Regulated Loan" has the meaning given in the Consumer Credit Act 1974.

"Approved Solicitor" means: (i) any firm of solicitors authorised to practise law by the Law Society of England and Wales or the Law Society of Northern Ireland having at least two partners; (ii) any firm of solicitors authorised to practise law by the Law Society of England and Wales or the Law Society of Northern Ireland having a sole principal; or (iii) such other firm as would be approved by a Prudent Mortgage Lender.

"Approved Conveyancer" means: (i) any sole principal, partnership or incorporated practice of conveyancers authorised to practise conveyancing by the Council of Licensed Conveyancers; or (ii) such other firm as would be approved by a Prudent Mortgage Lender.

"LSII Policy" means the local search indemnity insurance policy (policy number 0580CQ10559) granted by Norwich Union relating to certain losses resulting from adverse entries against the relevant Properties the subject of Mortgages in respect of the KMC Loans in the register of local land charges or replies to enquiry in Form Con29 of the local authority or sewerage undertaker.

Part C: Series Portfolio Services Aspects

(i) **Series Servicer**

As at the date of this Supplement, the Master Servicer; the Programme Servicer; and in respect of the PFL Loans, WMS.

(ii) **Series Services Agreement**

Programme Servicing Agreement.

(iii) **Series Servicer Fees**

In respect of Series Portfolio excluding the PFL Loans, the Master Servicer fees and the Programme Servicer fees.

In respect of the PFL Loans, the Master Servicer fees and the Series Servicer fees.

(iv) **Series Standby Servicer**

Not Applicable.

(v) **Series Standby Services Agreement**

Not Applicable.

(vi) **Series Standby Servicer Fee**

Not Applicable.

(vii) **Series Standby Additional Services**

Not Applicable.

Part D: Series Account Services Aspects

(i) **Series Account Bank**

Bank of America.

(ii) **Series Account Bank Agreement**

Pursuant to the terms of an account bank agreement dated on the Issue Date (the "**Series Bank Account Agreement**") between the Issuer, the Series Security Trustee and the Series Account Bank, the Series Account Bank will open a sterling denominated transaction account (the "**Series Bank Account**") in the name of the Series AssetCo for day to day cash management purposes of all amounts denominated in sterling.

The Series AssetCo's interests in the Series Bank Account are secured for the benefit of the AssetCo Secured Creditors pursuant to the terms of the AssetCo Security Deed.

(iii) **Series Transaction Account**

Assets No.2 Transaction Account.

(iv) **Series Guaranteed Investment Contract Account Provider**

In relation to Series 2008-1, an alternate Series investment account bank (the "**Series Investment Account Bank**") replaces the function of the Series Guaranteed Investment Contract Account Provider. In relation to Series 2008-1, any reference in a Transaction Document or in the Base Prospectus to the "Series Guaranteed Investment Contract Account Provider" will be deemed to be replaced by a reference to the "Series Investment Account Bank". The Series Investment Account Bank for Series 2008-1 will be Bank of America, acting through its office at 5 Canada Square, London E14 5AQ.

The Series Investment Account Bank will provide the Series Investment Account, and related services, to the Series AssetCo pursuant to a series investment account bank agreement (the "**Series 2008-1 Investment Account Bank Agreement**") in relation to the 2008-1 Series entered into by, *inter alios*, the Series AssetCo and the Series Investment Account Bank, on or about the Issue Date.

(v) **Series Guaranteed Investment Contract**

In relation to Series 2008-1, an investment account (the "**Series Investment Account**") replaces the Series Guaranteed Investment Contract. In relation to Series 2008-1, any reference in a Transaction Document or in the Base Prospectus to the "Series Guaranteed Investment Contract" or the "Series GIC Account" will be deemed to be replaced by a reference to the "Series Investment Account".

Amounts standing to the credit of the Programme Collection Account related to Series 2008-1, or the RBS Series 2008-1 Collection Account, will be transferred on a daily basis into the Series Investment Account. The Series Cash Manager will from time to time invest funds standing to the credit of the Series Investment Account in Permitted Investments.

The Series Cash Manager will open and maintain the Series 2008-1 Closing Expenses Ledger in the Series Investment Account on behalf of the Series AssetCo.

(vi) **Series GIC Accounts**

Uropa Assets No.2 Limited - Series 2008-01 Investment Account.

(vii) **Series Other Accounts**

Collections under PFL Loans will initially be received in a collection account opened and maintained at The Royal Bank of Scotland plc (the "**RBS Series 2008-1 Collection Account**").

The Series AssetCo has created security over all of its accounts (including the Programme Collection Account, the Series Bank Accounts and the RBS Series 2008-1 Collection Account), and all amounts standing to the credit of such accounts, in favour of the Series Security Trustee as trustee for the Series AssetCo Secured Creditors.

(viii) **Permitted Investments**

Applicable.

(ix) **Permitted Investments Standard Minimum Ratings**

Short Term Rating of A-1 by Standard & Poor's and F1 by Fitch.

Part E: Series Portfolio Purchase Agreement

(i) **Scottish Declaration of Trust**

A Scottish Declaration of Trust will be granted by the Seller in favour of the Series AssetCo as beneficiary and is the means by which the sale of the Scottish Mortgages forming part of the Portfolio are sold by the Seller to the Series AssetCo and the beneficial interest therein transferred to the Series AssetCo.

(ii) **Series Portfolio Purchase Initial Consideration**

£284,766,761.19

The amount of the Series Portfolio Purchase Initial Consideration may be adjusted following the Issue Date if the purchase price based on the actual Principal Balance of Loans in the Series Portfolio as at the close of business on the Cut-Off Date (to be determined no later than 20 Business Days after the Issue Date (such date being the "**Reconciliation Date**")) differs from the estimated purchase price set out in the Series Portfolio Purchase Agreement.

On the Reconciliation Date, the Series Portfolio Purchase Initial Consideration will be adjusted by the "**Reconciliation Amount**" as calculated in accordance with the Series Portfolio Purchase Agreement. If the Reconciliation Amount:

- (a) is payable by the Series AssetCo to the Seller, the Series AssetCo shall re-transfer to the Seller (mutatis mutandis in accordance with Clause 3.1(a) (Sale of the Portfolio) Loan(s) and related Collateral Security having a purchase price (as applied to such Loan(s) pro rata in accordance with the Principal Balance of such Loan(s) in relation to the aggregate Principal Balances of Loans in the Series Portfolio on the Cut-Off Date) equal to or higher than the Reconciliation Amount. If such purchase price is higher than the Reconciliation Amount, the Seller shall pay the difference to the Series AssetCo; or
- (b) is payable by the Seller to the Series AssetCo, the Seller shall pay to the Series AssetCo an amount equal to the Reconciliation Amount.

Any amount received by the Series AssetCo from the Seller as described in paragraphs (a) or (b) above shall be deposited in the Series Investment Account (for credit to the Series Principal Ledger) and shall be applied on the immediately following Distribution Date as part of Available Redemption Funds in accordance with the Series Pre-Enforcement Principal Priority of Payments.

(iii) **Series Portfolio Purchase Deferred Consideration**

Series Residual Certificates

The Series Residual Certificates will be constituted by a trust deed (the "**Series Trust Deed**") entered into between the Series AssetCo and LaSalle as trustee (in such capacity, the "**Series Trustee**") on or about the Issue Date. The Series Residual Certificates will have the benefit of a paying agency agreement dated on or about the Issue Date (the "**Series Paying Agency Agreement**") between Series AssetCo, the Series Trustee, Bank of America as principal paying agent (the "**Series Principal Paying Agent**"), as transfer agent (the "**Series Transfer Agent**") and as registrar (the "**Series Registrar**" and, together with the Series Principal Paying Agent and the Series Transfer Agent and any other paying agent appointed from time to time in connection with the Residual Certificates, the "**Series Agents**").

Supplemental Swap Fee

As part of the deferred consideration for the Loans comprised in the Series Portfolio, the Series AssetCo will on each Distribution Date pay to the Seller an amount (the "**Supplemental Swap Fee**") equal to 1.74 *per cent.* multiplied by the notional amount under the Fixed/Floating Swap Agreement.

Part F: Series Intercompany Loans Agreement

On the Issue Date, pursuant to the terms of an Intercompany Loans Agreement dated on or about the Issue Date between the Issuer, Series AssetCo, the Agent Bank, the Series Security Trustee and the Trustee (the "**Series Intercompany Loans Agreement**"), the Issuer will advance to Series AssetCo (subject to the satisfaction of certain conditions precedent) a secured term loan facility (the "**Series Intercompany Loan**"). On the Issue Date, pursuant to the Series Intercompany Loans Agreement, the Issuer will also advance to Series AssetCo (subject to the satisfaction of certain conditions precedent) a secured term loan facility which is subordinated to the Series Intercompany Loan (the "**Series Subordinated Loan**").

The Series Intercompany Loan will be split into tranches (see below) and the payment characteristics of such tranches and the Series Subordinated Loan will match the payment characteristics of the classes of the Notes (including the S Notes). However, payment by the Series AssetCo of any amount in respect of any tranche of the Series Intercompany Loan and the Series Subordinated Loan will be applied in accordance with the relevant Series Priorities of Payments and thus not necessarily to pay the corresponding class of the Notes.

The Series AssetCo will apply an amount equal to the gross proceeds of the Series Intercompany Loan *minus* the aggregate of (in each case, as at the Issue Date) (i) the Pre-Funded Loan Amount, (ii) the Series Initial Liquidity Reserve Fund Amount and (iii) the Series 2008-1 Closing Expenses, to pay to the Seller an amount equal to purchase price for the sale of the Series Portfolio pursuant to the terms of the Series Portfolio Purchase Agreement.

Each of the A Loan Tranche, M1 Loan Tranche, M2 Loan Tranche, B Loan Tranche, C Loan Tranche, D Loan Tranche, and Series Subordinated Loan (each as defined below) of the Series Intercompany Loan will correspond in amount, currency, rate of interest and maturity with the corresponding class of Notes, including the sub-classes of Notes.

Loan Tranches: £279,931,000 A Loan Tranche (the "**A Loan Tranche**")

£32,299,000 M1 Loan Tranche (the "**M1 Loan Tranche**")

£25,260,000 M2 Loan Tranche (the "**M2 Loan Tranche**" and together with the M1 Loan Tranche, the "**M Loan Tranche**")

£26,916,000 B Loan Tranche (the "**B Loan Tranche**")

£33,128,000 C Loan Tranche (the "**C Loan Tranche** ")

£16,564,000 D Loan Tranche (the "**D Loan Tranche** ")

Series Subordinated Loan: £33,386,000 S Loan Tranche (the "**Series Subordinated Loan**" and together with the A Loan Tranche, the M Loan Tranche, the B Loan Tranche, C Loan Tranche and the D Loan Tranche, the "**Loan Tranches**")

Issue Date: 30 December 2008

First Payment Date: 10 March 2009

Final Repayment Date: The Distribution Date falling in June 2059.

Margin: A Loan Tranche: 0.20*per cent.* per annum
M1 Loan Tranche: 0.35 *per cent.* per annum
M2 Loan Tranche: 0.55*per cent.* per annum
B Loan Tranche: 0.75 *per cent.* per annum
C Loan Tranche: 0.80 *per cent.* per annum
D Loan Tranche: 4.25 *per cent.* per annum
Series Subordinated Loan: 4.25 *per cent.* per annum

In each case the Margin shall be a margin over three month sterling LIBOR (or, in the case of the first Interest Period, at an annual rate obtained upon interpolation of LIBOR for 2 month sterling deposits and LIBOR for 3 month sterling deposits).

Step-up Date: Not Applicable.

Step-up Margin: Not Applicable.

Series Intercompany Loan Initial Fee: Not Applicable.

Part G: Assetco Security Deed

Pursuant to the terms of a security deed dated on or about the Issue Date between, *inter alia*, the Series AssetCo and the Series Security Trustee the obligations of the Series AssetCo under the Transaction Documents to which it is a party will be secured by, *inter alia*, the AssetCo Security over the AssetCo Charged Property in favour of the Series Security Trustee on behalf of itself and the other AssetCo Secured Creditors (the "**AssetCo Security Deed**").

"**AssetCo Secured Creditors**" means, in respect of the Series, the Issuer, the Series Security Trustee (and any receiver, manager or other person appointed by it), the Series Trustee, the Series Agents, the Series Agent Bank, the Programme Servicer, the Master Servicer, the Delegate Special Servicer, the Series Cash Manager, the Series Account Bank, the Series Residual Certificate Holder, the Series BBR Swap Provider, the Series Fixed/Floating Swap Provider, the Series Bullet Cap Provider and the Series LIBOR Basis Swap Provider.

Part H: Series Credit Structure

In addition to the disclosure under "*Credit Structure*" in the Base Prospectus, the following is a summary of the structure and credit arrangements underlying the Notes. Such summary should be read in conjunction with the information appearing elsewhere in this Supplement and the Base Prospectus.

Series Principal Deficiency Sub-Ledgers

In addition to the Series Ledgers described under "*Transaction Documents – Cash Management Agreement – Series Ledgers*", the following sub-ledgers in respect of the Series Principal Deficiency Ledger will be established by the Series Cash Manager. The sub-ledgers will be identified as:

- (i) the "**A Principal Deficiency Sub-Ledger**";
- (ii) the "**M1 Principal Deficiency Sub-Ledger**";
- (iii) the "**M2 Principal Deficiency Sub-Ledger**", and together with the M1 Principal Deficiency Sub-Ledgers, the "**M Principal Deficiency Sub-Ledgers**";
- (iv) the "**B Principal Deficiency Sub-Ledger**";
- (v) the "**C Principal Deficiency Sub-Ledger**"; and
- (vi) the "**D Principal Deficiency Sub-Ledger**";

and collectively the "**Series Principal Deficiency Sub-Ledgers**" and each a "**Series Principal Deficiency Sub-Ledger**").

Any Series Principal Deficiency shall be debited:

- (d) first, to the D Principal Deficiency Sub-Ledger so long as the debit balance on such sub-ledger is less than or equal to the Principal Amount Outstanding of the D Loan Tranche (the "**D Loan Tranche Principal Deficiency Limit**");
- (e) second, to the C Principal Deficiency Sub-Ledger so long as the debit balance on such sub-ledger is less than or equal to the Principal Amount Outstanding of the C Loan Tranche ("**C Loan Tranche Principal Deficiency Limit**");
- (f) third, to the B Principal Deficiency Sub-Ledger, so long as the debit balance on such sub-ledger is less than or equal to the Principal Amount Outstanding of the B Loan Tranche (the "**B Loan Tranche Principal Deficiency Limit**");
- (g) fourth, to the M2 Principal Deficiency Sub-Ledger so long as the debit balance on such sub-ledger is less than or equal to the Principal Amount Outstanding of the M2 Loan Tranche (the "**M2 Loan Tranche Principal Deficiency Limit**");
- (h) fifth, to the M1 Principal Deficiency Sub-Ledger so long as the debit balance on such sub-ledger is less than or equal to the Principal Amount Outstanding of the M1 Loan Tranche (the "**M1 Loan Tranche Principal Deficiency Limit**", and together with the M2 Loan Tranche Principal Deficiency Limit, the "**M Loan Tranche Principal Deficiency Limit**"); and
- (i) sixth, to the A Principal Deficiency Sub-Ledger, so long as the debit balance on such sub-ledger is less than or equal to the Principal Amount Outstanding of the A Loan Tranche, (the "**A Loan Tranche Principal Deficiency Limit**").

Amounts allocated to each Series Principal Deficiency Sub-Ledger shall be reduced to the extent of Available Revenue Funds available for such purpose on any Distribution Date in accordance with the Series Pre-Enforcement Revenue Priority of Payments.

Series Permitted Withdrawals

To the extent that any of the Series Permitted Withdrawals (as described under "*Series Permitted Withdrawals*" under "*Credit Structure*" in the Base Prospectus) are made by the Series Cash Manager

from and including the last Business Day of the month preceding a Determination Date to and including the relevant Distribution Date, any such withdrawals shall be made prior to administration of the applicable Series Priorities of Payments and, therefore, shall not be included in the Available Revenue Funds and/or the Available Redemption Funds, as applicable, for such Distribution Date.

Series Priorities of Payments

On any day, until the later of (i) the first Determination Date and (ii) the date on which all Series 2008-1 Closing Expenses (together with value added tax (if any) payable in respect thereof) have been paid in full, the Series Cash Manager shall apply amounts standing to the credit of the Series 2008-1 Closing Expenses Ledger towards payment of Series 2008-1 Closing Expenses (together with any value added tax in respect thereof) in respect of which the Issuer or the Series AssetCo (as the case may be) has received an invoice from the relevant service provider. Thereafter, any remaining amount standing to the credit of the Series 2008-1 Closing Expenses Ledger will be applied in accordance with the Pre-Enforcement Principal Priority of Payments.

Series Pre-Enforcement Revenue Priority of Payments

"Available Revenue Funds" means on any Distribution Date:

- (i) amounts standing to the credit of the Series Revenue Ledger (including for the avoidance of doubt revenue collections between the Cut-Off Date and the Issue Date) as at close of business on the Business Day immediately preceding the Determination Date (which falls immediately prior to such Distribution Date); plus
- (ii) those amounts transferred or to be transferred on or before the immediately following Interest Payment Date from the Series Liquidity Reserve Ledger (and, if applicable, any other ledger except the Series Credit Support Provider Cash Ledger) including interest and any other income earned on the Series Investment Account and on any Permitted Investments; plus
- (iii) any amounts received pursuant to the Bullet Cap Agreement, the BBR Swap Agreement, the Fixed/Floating Swap Agreement (excluding for the avoidance of doubt the Supplemental Swap Fee) or the LIBOR Basis Swap Agreements (in each case, excluding Replacement Hedge Premium, Excess Hedge Collateral and all other Hedge Collateral (other than Hedge Collateral that has been applied by the relevant Series Hedge Provider in satisfaction of termination payments due to the Series AssetCo following the designation of an Early Termination Date under the relevant Series Hedge Agreement (as defined therein))),

in each case in accordance with the Series Cash Management Agreement.

On each Distribution Date prior to the service of a Series Enforcement Notice in respect of the Series, Available Revenue Funds (excluding for the avoidance of doubt any Replacement Hedge Premium, Excess Hedge Collateral and all other Hedge Collateral (other than Hedge Collateral that has been applied by the relevant Series Hedge Provider in satisfaction of termination payments due to the Series AssetCo following the designation of an Early Termination Date under the relevant Series Hedge Agreement (as defined therein))) standing to the credit of the Series Transaction Account will be applied by or on behalf of the Series AssetCo in making the following payments and provisions (the "**Series Pre-Enforcement Revenue Priority of Payments**") (in each case only if and to the extent that payments or provisions of a higher priority have been made in full):

- (a) *first*, (A) first, to pay *pari passu* and *pro rata* amounts due and payable to the Series Security Trustee, the Series Trustee and the Trustee (in respect of the Series 2008-1) then due and (B) second, in or towards satisfaction *pro rata* and *pari passu* according to the respective amounts thereof of:
 - (i) all amounts due and payable of all Series AssetCo Senior Expenses then due (including any indemnity payments payable by the Series AssetCo);
 - (ii) all amounts then accrued but remaining unpaid to third parties (including audit fees and value added tax, if any) properly incurred without breach by the Series AssetCo of the Series Transaction Documents to be paid directly to the relevant third party;

- (iii) all amounts due and payable to the Issuer of all Issuer Senior Expenses then due by the Issuer (including any indemnity payments payable by the Issuer);
 - (iv) all amounts then accrued but remaining unpaid to third parties (in respect of the Series 2008-1) (including audit fees and value added tax, if any) incurred without breach by the Issuer of the Issuer Transaction Documents to be paid directly to the relevant third party;
 - (v) all amounts due and payable to the Issuer in respect of the pro rata share of the AssetCo (according to the respective aggregate Principal Amounts Outstanding under each Series) of other expenses of the Issuer; and
 - (vi) all amounts payable in or towards satisfaction of all other amounts due and payable to any other AssetCo Secured Creditors that are not otherwise provided for in this priority of payments (excluding for the avoidance of doubt any Replacement Hedge Premium, Excess Hedge Collateral and all other Hedge Collateral (other than Hedge Collateral that has been applied by the relevant Series Hedge Provider in satisfaction of termination payments due to the Series AssetCo following the designation of an Early Termination Date under the relevant Series Hedge Agreement (as defined therein)));
- (b) *second*, to pay *pari passu* and *pro rata*:
- (i) all amounts due and payable to the BBR Swap Provider under the BBR Swap Transaction (excluding any BBR Swap Provider Default Payment);
 - (ii) all amounts due and payable to the LIBOR Basis Swap Provider under the LIBOR Basis Swap Transactions (excluding any LIBOR Basis Swap Provider Default Payment);
 - (iii) all amounts due and payable to the Fixed/Floating Swap Provider including any scheduled payments due under the Fixed/Floating Swap Transaction (excluding any Fixed/Floating Swap Provider Default Payment); and
 - (iv) to the extent unpaid, amounts due and payable to the Bullet Cap Provider under the Bullet Cap Transaction;
- (c) *third*, to pay amounts (other than in respect of principal) payable in respect of the A Loan Tranche;
- (d) *fourth*, to pay amounts to be credited to the A Principal Deficiency Sub-Ledger (such amounts to be applied in repayment of principal as Available Redemption Funds) until the balance of each of the A Principal Deficiency Sub-Ledger has reached zero;
- (e) *fifth*, to pay amounts (other than in respect of principal) payable in respect of the M1 Loan Tranche;
- (f) *sixth*, to pay amounts to be credited to the M1 Principal Deficiency Sub-Ledger (such amounts to be applied in repayment of principal as Available Redemption Funds) until the balance of the M1 Principal Deficiency Sub- Ledger has reached zero;
- (g) *seventh*, to pay amounts (other than in respect of principal) payable in respect of the M2 Loan Tranche;
- (h) *eighth*, to pay amounts to be credited to the M2 Principal Deficiency Sub-Ledger (such amounts to be applied in repayment of principal as Available Redemption Funds) until the balance of the M2 Principal Deficiency Sub-Ledger has reached zero;
- (i) *ninth*, to pay amounts (other than in respect of principal) payable in respect of the B Loan Tranche;
- (j) *tenth*, to pay amounts to be credited to the B Principal Deficiency Sub-Ledger (such amounts to be applied in repayment of principal as Available Redemption Funds) until the balance of the B Principal Deficiency Sub-Ledger has reached zero;

- (k) *eleventh*, to credit the Series Liquidity Reserve Ledger until the balance of the Series Liquidity Reserve Fund reaches the Series Liquidity Reserve Fund Required Amount;
- (l) *twelfth*, to pay amounts (other than in respect of principal) payable in respect of the C Loan Tranche;
- (m) *thirteenth*, to pay amounts to be credited to the C Principal Deficiency Sub-Ledger (such amounts to be applied in repayment of principal as Available Redemption Funds) until the balance of the C Principal Deficiency Sub- Ledger has reached zero;
- (n) *fourteenth*, to pay amounts (other than in respect of principal) payable in respect of the D Loan Tranche;
- (o) *fifteenth*, to pay amounts to be credited to the D Principal Deficiency Sub-Ledger (such amounts to be applied in repayment of principal as Available Redemption Funds) until the balance of the D Principal Deficiency Sub- Ledger has reached zero;
- (p) *sixteenth*, to pay *pari passu* and *pro rata* an amount, if any, equal to the portion of value added tax owing in respect of (A) any fee due and payable by the Series AssetCo to the Series Cash Manager, the Master Servicer or the Delegate Special Servicer or the Programme Servicer (as applicable) under the Series Cash Management Agreement, the Special Servicing Agreement or the Programme Servicing Agreement (as applicable) that exceeds 17.5% and (B) any fee due and payable by the Issuer to the Series Cash Manager under the Series Cash Management Agreement that exceeds 17.5%;
- (q) *seventeenth*, in or towards *pari passu* and *pro rata* payment payable to:
 - (i) any LIBOR Basis Swap Provider in connection with the termination of either LIBOR Basis Swap Transaction as a result of the occurrence of an Event of Default (as such term is defined in the relevant LIBOR Basis Swap Agreement) where the LIBOR Basis Swap Provider is the Defaulting Party (as such term is defined in the relevant LIBOR Basis Swap Agreement) ("**LIBOR Basis Swap Provider Default Payment**");
 - (ii) any BBR Swap Provider in connection with the termination of the BBR Swap Transaction as a result of the occurrence of an Event of Default (as such term is defined in the relevant BBR Swap Agreement) where the BBR Swap Provider is the Defaulting Party (as such term is defined in the relevant BBR Swap Agreement) ("**BBR Swap Provider Default Payment**");
 - (iii) any Fixed/Floating Swap Provider in connection with the termination of any Fixed/Floating Swap Transaction as a result of the occurrence of an Event of Default (as such term is defined in the relevant Fixed/Floating Swap Agreement) where the Fixed/Floating Swap Provider is the Defaulting Party (as such term is defined in the relevant Fixed/Floating Swap Agreement) ("**Fixed/Floating Swap Provider Default Payment**"); and
 - (iv) any Bullet Cap Provider in connection with the termination of the Bullet Cap Transaction as a result of the occurrence of an Event of Default (as such term is defined in the relevant Bullet Cap Agreement) where the Bullet Cap Provider is the Defaulting Party (as such term is defined in the relevant Bullet Cap Agreement) ("**Bullet Cap Provider Default Payment**");
- (r) *eighteenth*, to pay amounts (other than in respect of principal) payable in respect of the Series Subordinated Loan;
- (s) *nineteenth*, to retain, *pari passu and pro rata*, an amount equal to (A) the Series AssetCo Retained Profit in the Series AssetCo and (B) the Issuer Retained Profit in the Issuer;
- (t) *twentieth*, to pay an amount in respect of principal amounts due on the Series Subordinated Loan; and
- (u) *twenty-first*, to pay amounts payable in respect of the Series Residual Certificates.

"Series AssetCo Senior Expenses" means the amounts then due and owing, or payable prior to the immediately following Distribution Date, by the Series AssetCo to the Master Servicer, the Programme Servicer, the Delegate Special Servicer, the Programme Cash Manager, the Series Cash Manager, Series Account Bank, Series Investment Account Bank, the Series Agents, the Series Corporate Services Provider and HM Revenue & Customs in respect of any liability of the Series AssetCo for corporation tax on the Series AssetCo Retained Profit (save to the extent that this can be satisfied out of Series AssetCo Retained Profit itself) and any other taxes and duties (if any) payable by the Series AssetCo.

"Issuer Senior Expenses" means the amounts then due and owing, or payable prior to the immediately following Interest Payment Date, by the Issuer to HM Revenue & Customs in respect of any liability of the Issuer for corporation tax on the Issuer Retained Profit (save to the extent that this can be satisfied out of Issuer Retained Profit itself) and any other taxes and duties (if any) payable by the Issuer, and to (in each case in respect of Series 2008-1) the Series Cash Manager, the Issuer Account Bank, the Paying Agents, the Registrar, the Transfer Agent, OptionCo, UK Holdings, the Agent Bank, the Corporate Services Provider, and the Rating Agencies.

"Series AssetCo Retained Profit" means £1000 per quarter;

"Series Residual Certificates" means the residual certificates issued by the Series AssetCo in connection with the purchase of the Series Portfolio by the Series AssetCo.

"Series Residual Certificate Holders" means the holders of any Series Residual Certificates.

On each Distribution Date, Series Permitted Withdrawals that are not amounts provided for under the applicable Series Priorities of Payments and that are permitted to be made on such Distribution Date in accordance with the terms of the Transaction Documents applicable to the Series will be made out of amounts standing to the credit of the Series Transaction Account and such amounts will not form part of the Available Revenue Funds to be applied on such Distribution Date. See further "*Credit Structure – Series Permitted Withdrawals*" in the Base Prospectus.

Series Pre-Enforcement Principal Priority of Payments

"Available Redemption Funds" means as at any Determination Date, an amount calculated as the aggregate of:

- (a) the amount standing to the credit of the relevant Series Principal Ledger representing the principal payments received during the Determination Period then ending (and in respect of the first Distribution Period, including principal payments received since the Cut-Off Date) as at the end of the Business Day before the Determination Date and the amount (if any) standing to the credit of the relevant Series Further Advances Ledger (before the transfer of the Committed Further Advances calculated on that Determination Date from the relevant Series Principal Ledger) (and, for the avoidance of doubt, such amount (if any) shall be transferred to the relevant Series Principal Ledger on such Determination Date);
- (b) the amount (if any) calculated on that Determination Date pursuant to the Series Pre-Enforcement Revenue Priority of Payments, to be the amount by which the debit balance on any of the relevant Series Principal Deficiency Ledgers is expected to be reduced by the application of Available Revenue Funds on the immediately succeeding Distribution Date;
less
- (c) the Committed Further Advances calculated on such Determination Date, if any; and
- (d) the amount (if any) payable by the Series AssetCo for Substitute Loans on the immediately succeeding Distribution Date, if any.

On each Distribution Date prior to the service of a Series Enforcement Notice, Available Redemption Funds standing to the credit of the Series Transaction Account, and (provided that all Series 2008-1 Closing Expenses (together with value added tax (if any) payable thereon) have been paid in full prior to the immediately preceding Determination Date) any amount then standing to the credit of the Series 2008-1 Closing Expenses Ledger, will be applied by or on behalf of the Series AssetCo in making the

following payments and provisions (the "**Series Pre-Enforcement Principal Priority of Payments**") (in each case only if and to the extent that payments or provisions of a higher priority have been made in full):

- (a) *first*, to the Issuer in respect of principal amount outstanding on the A Loan Tranche;
- (b) *second*, to the Issuer in respect of principal amount outstanding on the M1 Loan Tranche;
- (c) *third*, to the Issuer in respect of principal amount outstanding on the M2 Loan Tranche;
- (d) *fourth*, to the Issuer in respect of principal amount outstanding on the B Loan Tranche;
- (e) *fifth*, to the Issuer in respect of principal amount outstanding on the C Loan Tranche;
- (f) *sixth*, to the Issuer in respect of principal amount outstanding on the D Loan Tranche,

provided always that the Available Redemption Funds shall not be applied in the order set out in the Series Pre-Enforcement Principal Priority of Payments but shall instead be applied *pro rata* in redeeming each Loan Tranche according to the then Principal Amount Outstanding of the relevant Loan Tranche between the A Loan Tranche, M1 Loan Tranche, the M2 Loan Tranche, the B Loan Tranche comprising items (a) to (d), respectively, of the Series Pre-Enforcement Principal Priority of Payments on any Distribution Date immediately succeeding a Determination Date on which all of the following conditions are met:

- (i) the Trigger Ratio is satisfied;
- (ii) the balance on each of the A Principal Deficiency Sub-Ledger, the M1 Principal Deficiency Sub-Ledger, the M2 Principal Deficiency Sub-Ledger and the B Principal Deficiency Sub-Ledger is zero;
- (iii) the amount of the available Series Liquidity Reserve Fund is not below the Series Liquidity Reserve Fund Required Amount;
- (iv) the aggregate Principal Amount Outstanding of the Loan Tranches (excluding the Series Subordinated Loan) is more than 10 *per cent.* of the aggregate Principal Amount Outstanding of the Loan Tranche (excluding the Series Subordinated Loan) on the Issue Date; and
- (v) the aggregate of the balances of all Loans in the Series Portfolio that are 90 days or more in arrears (including, for the avoidance of doubt, any Loans in that Series Portfolio in respect of which Enforcement Procedures have commenced and the Property in respect of that Loan has not been sold) on such Determination Date as a percentage of the aggregate balances of all Loans in the Series Portfolio does not exceed 17.0 *per cent.* (or such greater percentage agreed between the Series AssetCo and the Series Security Trustee and as notified by the Rating Agencies from time to time upon the basis that such increase will not adversely affect the then current rating of the Notes of the Series);

The "**Trigger Ratio**" shall be satisfied if the Principal Amount Outstanding of the A Loan Tranche on the Determination Date on which the Trigger Ratio is to be calculated is equal to or less than 50 *per cent.* of the Principal Amount Outstanding of the A Loan Tranche on the Issue Date.

Series Post-Enforcement Priority of Payments

Following service of a Series Enforcement Notice, all moneys received or recovered by the Series Security Trustee (or an administrative receiver, a receiver or manager appointed on its behalf) in respect of the Series or by the Series Cash Manager on behalf of the Series Security Trustee under the AssetCo Security Deed (excluding any Replacement Hedge Premium and Excess Hedge Collateral, which shall be paid in priority to the following payments and provisions) will be applied following the enforcement of the security in respect of the Series in the following order of priority (the "**Series Post-Enforcement Priority of Payments**") (in each case only if and to the extent that payments or provisions of a higher priority have been made in full):

- (a) *first*, to pay, *pari passu* and *pro rata*, in or towards satisfaction of any remuneration due and payable to the (A) Series Security Trustee under the AssetCo Security Deed and the other Series

Transaction Documents, and any costs, charges, liabilities and expenses incurred by the Series Security Trustee (or any administrative receiver, receiver, manager or other person appointed by it) (including, without limitation, any claims in respect of any indemnities) thereunder, to be paid to the Series Security Trustee (or any administrative receiver, receiver, manager or other person appointed by it), (B) Series Trustee under the Series Trust Deed and any costs, charges, liabilities and expenses incurred by the Series Security Trustee thereunder, to be paid to the Series Trustee and (C) Trustee (in respect of the Series 2008-1) under the Trust Deed and the other Issuer Transaction Documents, and any costs, charges, liabilities and expenses incurred by the Trustee (or any administrative receiver, receiver, manager or other person appointed by it) (including, without limitation, any claims in respect of any indemnities) thereunder, to be paid to the Trustee (in respect of the Series 2008-1) (or any administrative receiver, receiver, manager or other person appointed by it);

- (b) *second*, in or towards satisfaction *pro rata* and *pari passu* according to the respective amounts thereof of:
- (i) amounts due and payable to the Series AssetCo Corporate Services Provider under the Series AssetCo Corporate Services Agreement;
 - (ii) to the Issuer, amounts due and payable to the Corporate Services Provider (in respect of the Series 2008-1) under the Issuer Corporate Services Agreement;
 - (iii) amounts due and payable to the Series Account Bank under the Series Bank Account Agreement;
 - (iv) to the Issuer, amounts due and payable to the Issuer Account Bank (in respect of the Series 2008-1) under the Issuer Bank Account Agreement;
 - (v) amounts due and payable to the Series Investment Account Provider under the Series 2008-1 Investment Account Bank Agreement;
 - (vi) amounts due and payable by the Series AssetCo to the Series Agents under the Series AssetCo Agency Agreement;
 - (vii) amounts due and payable by the Series AssetCo to the Series Agent Bank under the Series Intercompany Loans Agreement and the Series AssetCo Agency Agreement;
 - (viii) to the Issuer, amounts due and payable by the Issuer to the Paying Agents (in respect of the Series 2008-1), Transfer Agent (in respect of the Series 2008-1), Agent Bank (in respect of the Series 2008-1) and Registrar (in respect of the Series 2008-1) under the Agency Agreement;
 - (ix) amounts due and payable, including any fee payable inclusive of value added tax up to 17.5%, to the Series Cash Manager under the Series Cash Management Agreement, to be paid by the Series AssetCo to the Series Cash Manager;
 - (x) to the Issuer, amounts due and payable, including any fee payable inclusive of value added tax up to 17.5%, to the Series Cash Manager (in respect of the Series 2008-1) under the Series Cash Management Agreement, to be paid by the Issuer to the Series Cash Manager; and
 - (xi) on a *pro rata* and *pari passu* basis, amounts due and payable, including any fee payable inclusive of value added tax up to 17.5%, to the Master Servicer, to the Programme Servicer and the Delegate Special Servicer under the Programme Servicing Agreement and the Special Servicing Agreement, respectively, to be paid to the Master Servicer, the Programme Servicer and the Delegate Special Servicer, as the case may be;
 - (xii) to pay *pari passu* and *pro rata*, amounts:
 - (A) then accrued but remaining unpaid to third parties (including audit fees and value added tax, if any) properly incurred without breach by the Series AssetCo

- of the Series Transaction Documents to be paid directly to the relevant third party;
 - (B) then accrued but remaining unpaid to third parties (in respect of the Series 2008-1) (including audit fees and value added tax, if any) incurred without breach by the Issuer of the Issuer Transaction Documents to be paid directly to the relevant third party;
 - (C) payable in or towards satisfaction of all other amounts due and payable to any other AssetCo Secured Creditors that are not otherwise provided for in this priority of payments;
- (c) *third*, in or towards satisfaction *pro rata* and *pari passu* according to the respective amounts thereof of amounts payable in respect of insurance contracts (if any) relating to the Series Portfolio maintained by or on behalf of the Series AssetCo;
- (d) *fourth*, to pay *pari passu* and *pro rata*:
 - (i) all amounts due and payable to the BBR Swap Provider under the BBR Swap Transaction (except for any relevant BBR Swap Provider Default Payment);
 - (ii) all amounts due and payable to the LIBOR Basis Swap Provider under the LIBOR Basis Swap Transactions (except for any relevant LIBOR Basis Swap Provider Default Payment);
 - (iii) all amounts due and payable to the Fixed/Floating Swap Provider under the Fixed/Floating Swap Transaction (except for any relevant Fixed/Floating Swap Provider Default Payment); and
 - (iv) all amounts due and payable to the Bullet Cap Provider under the Bullet Cap Transaction;
- (e) *fifth*, to pay, *pro rata* and *pari passu*:
 - (i) amounts (other than in respect of principal) payable in respect of the A Loan Tranche; and
 - (ii) to the Issuer in respect of principal of the A Loan Tranche;
- (f) *sixth*, to pay, *pro rata* and *pari passu*:
 - (i) amounts (other than in respect of principal) payable in respect of the M1 Loan Tranche; and
 - (ii) to the Issuer, in respect of principal of the M1 Loan Tranche;
- (g) *seventh*, to pay, *pro rata* and *pari passu*:
 - (i) amounts (other than in respect of principal) payable in respect of the M2 Loan Tranche; and
 - (ii) to the Issuer, in respect of principal of the M2 Loan Tranche;
- (h) *eighth*, to pay, *pro rata* and *pari passu*:
 - (i) amounts (other than in respect of principal) payable in respect of the B Loan Tranche; and
 - (ii) to the Issuer in respect of principal of the B Loan Tranche;
- (i) *ninth*, to pay, *pro rata* and *pari passu*:
 - (i) amounts (other than in respect of principal) payable in respect of the C Loan Tranche; and

- (ii) to the Issuer in respect of principal of the C Loan Tranche;
- (j) *tenth*, to pay, *pro rata* and *pari passu*:
 - (i) amounts (other than in respect of principal) payable in respect of the D Loan Tranche; and
 - (ii) to the Issuer in respect of principal of the D Loan Tranche;
- (k) *eleventh*, in or towards *pari passu* and *pro rata*:
 - (i) any LIBOR Basis Swap Provider Default Payment;
 - (ii) any BBR Swap Provider Default Payment;
 - (iii) any Fixed/Floating Swap Provider Default Payment; and
 - (iv) any Bullet Cap Provider Default Payment;
- (l) *twelfth*, to pay, *pro rata* and *pari passu*, to the Issuer:
 - (i) amounts (other than in respect of principal) payable in respect of the Series Subordinated Loan; and
 - (ii) amounts in respect of principal of the Series Subordinated Loan;
- (m) *thirteenth*, to pay *pari passu* and *pro rata* an amount, if any, equal to the portion of value added tax owing in respect of any fee due and payable to the Series Cash Manager, the Master Servicer, the Programme Servicer or the Delegate Special Servicer (as applicable) under the Series Cash Management Agreement, the Programme Servicing Agreement or the Special Servicing Agreement (as applicable) that exceeds 17.5%;
- (n) *fourteenth*, to retain, *pari passu* and *pro rata*, an amount equal to (A) the Series AssetCo Retained Profit in the Series AssetCo and (B) the Issuer Retained Profit in the Issuer; and
- (o) *fifteenth*, to pay amounts payable in respect of the Series Residual Certificates.

"**Determination Date**" means each day which falls three Business Days prior to a Distribution Date.

"**Distribution Date**" means the 10th of March, June, September and December in each calendar year unless such day is not a Business Day, in which case the Distribution Date shall be the following day which is a Business Day.

Part I: Series Additional Credit Features

Series Reserve Fund

Not Applicable.

TSO Collateral

Under the RBS Mortgage Sale Agreement, for so long as it remains the Legal Titleholder in respect of a PFL Loan, The Royal Bank of Scotland plc will indemnify the Seller against any set-off by a Borrower against such PFL Loan. Likewise, under the Series Portfolio Purchase Agreement, for so long as The Royal Bank of Scotland plc remains the Legal Titleholder in respect of a PFL Loan, the Seller will indemnify the Series AssetCo against any set-off by a Borrower against a PFL Loan.

If the TSO Collateral Trigger Conditions are met on any Business Day prior to the Legal Interest Transfer Date, the Seller shall as collateral for its obligation to make payments under the indemnity as described above, pay to the Series AssetCo the TSO Collateral Amount for deposit in the Series Investment Account and credit to the TSO Collateral Ledger.

If the TSO Collateral Trigger Conditions were previously met and the Seller does not, before the Determination Date immediately following a claim by the Series AssetCo under the indemnity as described above, pay the relevant amount to the Series AssetCo, then the Series Cash Manager shall debit from the TSO Collateral Ledger, and credit to the Series Revenue Ledger (in respect of any part of the amount subject to the set-off by the Borrower to be allocated to interest accrued but not capitalised under the relevant Loan) and/or the Series Principal Ledger (in respect of any part of the amount subject to the set-off by the Borrower to be allocated to principal under the relevant Loan), an amount equal to the amount claimed under the indemnity. Such amounts will form part of Available Revenue Funds or Available Redemption Funds (as applicable) on the immediately following Distribution Date. Any amount subject to set-off by the Borrower will be allocated, in respect of the relevant Loan, first to interest accrued but not capitalised and then to principal, unless the Series Servicer specifies a different allocation to the Series AssetCo (or the Series Cash Manager on its behalf).

Upon the perfection of transfer of legal title to any PFL Loan to the Seller, a *pro rata* amount (based on the then Current Balance of such PFL Loan and the aggregate of the then Current Balances of all PFL Loans in respect of which The Royal Bank of Scotland plc was the Legal Titleholder immediately prior to such perfection of transfer) will be paid from the Series Investment Account to the Seller (and debited to the TSO Collateral ledger).

"TSO Collateral Amount" means, on any date, an amount equal to 7 per cent. multiplied by the aggregate Principal Balance of PFL Loans in respect of which RBS is on such date the Legal Titleholder.

"TSO Collateral Ledger" means the ledger in the Series Investment Account in relation to which the TSO Collateral Amount will be recorded.

The **"TSO Collateral Trigger Conditions"** will be met if, on any Business Day before the Legal Interest Transfer Date:

- (a) RBS is the Series Legal Titleholder in respect of any PFL Loans; and
- (b) the short-term unsecured and unguaranteed debt obligations of RBS are rated below A-2 by S&P.

Part J: Series Liquidity Facility

There will be no Series Liquidity Facility in respect of Series 2008-1.

Series Liquidity Reserve Ledger

To provide limited coverage for shortfalls in certain amounts payable by it in respect of payments due and payable to the Series Security Trustee (in respect of Series 2008-1), the Series Trustee (in respect of Series 2008-1), the Trustee (in respect of Series 2008-1), Series AssetCo Senior Expenses, Issuer Senior Expenses, and payments of interest on the Class A Notes, the Class M1 Notes, the Class M2 Notes, the Class B Notes and (but only following redemption in full of all Class A Notes, Class M1 Notes, Class M2 Notes and Class B Notes) the Class C Deferrable Interest Notes, the Series AssetCo will on the Issue Date establish a liquidity reserve fund (the **"Series Liquidity Reserve Fund"**) in an amount equal to the Series Initial Liquidity Reserve Fund Amount (as defined below) using part of the proceeds of the Series Intercompany Loan. The Series Liquidity Reserve Fund will be deposited in the Series Investment Account, and credited to a ledger created to record the amount from time to time of the Series Liquidity Reserve Fund (the **"Series Liquidity Reserve Ledger"**).

The Series AssetCo shall earn interest on the amount standing to the credit of the Series Liquidity Reserve Ledger in accordance with the provisions of the Series Investment Account Bank Agreement.

Series Initial Liquidity Reserve Fund Amount

The **"Series Initial Liquidity Reserve Fund Amount"** means the amount equal to 7.70 *per cent.* of the aggregate principal amount outstanding of the Loan Tranches (excluding the Series Subordinated Loan) on the Issue Date.

Series Liquidity Reserve Required Amount

"Series Liquidity Reserve Fund Required Amount" means in respect of the Series:

- (a) initially, 7.70 *per cent.* of the aggregate principal amount outstanding of the Loan Tranches (excluding the Series Subordinated Loan) on the Issue Date; and
- (b) on each Distribution Date where the Series Liquidity Reserve Fund Required Amount will be equal to or greater than 15.40 *per cent.* of the then aggregate principal amount outstanding under the Loan Tranches of this Series (excluding the Series Subordinated Loan) on the relevant Distribution Date following the application of Available Redemption Funds on such Distribution Date, then the Series Liquidity Reserve Fund Required Amount shall be the greater of 15.40 *per cent.* of the aggregate principal amount outstanding of the Loan Tranches (excluding the Series Subordinated Loan) on such Distribution Date and 4.00 *per cent.* of the aggregate principal amount outstanding of the Loan Tranches (excluding the Series Subordinated Loan) on the Issue Date **provided that** no such reduction shall occur on a Distribution Date if:
 - (i) there is a debit balance on the A Principal Deficiency Sub-Ledger, the M1 Principal Deficiency Sub-Ledger, the M2 Principal Deficiency Sub-Ledger or the B Principal Deficiency Sub-Ledger;
 - (ii) the total balance of all Loans foreclosed in the Series Portfolio exceeds 2.25 *per cent.* of the original balance of the Series Portfolio as at the Issue Date;
 - (iii) the aggregate value of the principal losses experienced on the Series Portfolio (whether or not such losses are recorded in the Series Principal Deficiency Ledger at such time) as at the immediately preceding Determination Date will be greater than 1.25 *per cent.* of the aggregate Principal Amount Outstanding of the Notes (excluding the Subordinated Notes) on the Issue Date; or
 - (iv) as at the immediately preceding Distribution Date the aggregate balance of Loans in the Series Portfolio in respect of which any payment is 90 days or more in arrears (including, for the avoidance of doubt, any Loans in the Series Portfolio in respect of which Enforcement Procedures have commenced and the Property in respect of that Loan has not been sold) is higher than 17.0 *per cent.* of the aggregate balance of all Loans in the Series Portfolio.

In this section, "**Principal Amount Outstanding**" has the meaning given to it in the Base Prospectus.

If the amount standing to the credit of the Series Liquidity Reserve Ledger exceeds the Series Liquidity Reserve Fund Required Amount on such Distribution Date, an amount equal to such excess amount shall be transferred from the Series Investment Account (and the Series Liquidity Reserve Ledger shall be debited by such amount) to the Series Transaction Account (and the Series Revenue Ledger shall be credited by such amount). The amount so released shall form part of Available Revenue Funds in relation to the Series. If the Series Liquidity Reserve Fund Required Amount exceeds the amount standing to the credit of the Series Liquidity Reserve Ledger on such Distribution Date, then the Series AssetCo shall on such Distribution Date utilise Available Revenue Funds to replenish the Series Liquidity Reserve Fund.

The Series AssetCo will not be obliged at any time to deposit funds, for credit to the Series Liquidity Reserve Ledger, in excess of the Series Liquidity Reserve Fund Required Amount in the Series Transaction Account.

Release of Series Liquidity Reserve Fund

Following repayment in full of the Loans or redemption in full of the Notes pursuant to Condition 7(e)(i) *Optional Redemption*), any amount standing to the credit of the Series Liquidity Reserve Ledger on the immediately following Distribution Date shall be transferred from the Series Investment Account (and the Series Liquidity Reserve Ledger shall be debited by such amount) to the Series Transaction Account (and the Series Revenue Ledger shall be credited by such amount). The amount so transferred shall on that Distribution Date form part of Available Revenue Funds in relation to the Series.

Series Liquidity Reserve Fund Permitted Purposes

The Series AssetCo will be entitled on any Distribution Date to utilise amounts standing to the credit of the Series Liquidity Reserve Ledger to the extent that there are insufficient amounts available (as Available Revenue Funds but to avoid double counting excluding for purposes of such calculation any amount to be transferred from the Series Liquidity Reserve Ledger to the Series Revenue Ledger) for distribution to satisfy the obligations of the Series AssetCo to pay amounts payable by it in respect of amounts due and payable to the Series Security Trustee (in respect of Series 2008-1), the Series Trustee (in respect of Series 2008-1), the Trustee (in respect of Series 2008-1), Series AssetCo Senior Expenses, Issuer Senior Expenses, and payments of interest under the A Loan Tranche, the M1 Loan Tranche, the M2 Loan Tranche, the B Loan Tranche and (following redemption in full of all Class A Notes, Class M1 Notes, Class M2 Notes and Class B Notes) the Class C Deferrable Interest Notes under the Series Pre-Enforcement Revenue Priority of Payments, provided that the Series AssetCo shall not be entitled to utilise such amounts in respect of:

- (a) (unless the A Loan Tranche has been repaid in full) interest payments on the M1 Loan Tranche to the extent that the M1 Principal Deficiency Sub-Ledger (after applying amounts to be credited to it on the relevant Distribution Date) has a debit balance in excess of 50 *per cent.* of the Principal Amount Outstanding on the M1 Loan Tranche;
- (b) (unless the M1 Loan Tranche has been repaid in full) interest payments on the M2 Loan Tranche to the extent that the M2 Principal Deficiency Sub-Ledger (after applying amounts to be credited to it on the relevant Distribution Date) has a debit balance in excess of 50 *per cent.* of the Principal Amount Outstanding on the M2 Loan Tranche;
- (c) (unless the M2 Loan Tranche has been repaid in full) interest payments on the B Loan Tranche to the extent that the B Principal Deficiency Sub-Ledger (after applying amounts to be credited to each on the relevant Distribution Date) would have a debit balance in excess of 50 *per cent.* of the Principal Amount Outstanding on the B Loan Tranche; and
- (d) (unless each of the A Loan Tranche, the M1 Loan Tranche, the M2 Loan Tranche and the B Loan Tranche has been repaid in full) interest payments on the C Loan Tranche.

The Series Cash Manager shall on each Distribution Date transfer the relevant amounts (to the extent of the shortfall described above) from the Series Liquidity Reserve Fund to Available Revenue Funds by transferring the amount from the Series Investment Account (and the Series Liquidity Reserve Ledger shall be debited by such amount) to the Series Transaction Account (and the Series Revenue Ledger shall be credited by such amount).

Part K: Series Hedge Agreements

Series Hedge Provider

The Royal Bank of Scotland plc acting through its office at 135 Bishopsgate, London EC2M 3UR (the "**Series Hedge Provider**"). The Series Hedge Provider will enter into each of the following Series Hedge Transactions with the Series AssetCo in respect of the Series Portfolio.

Series Hedge Transactions

The Series Hedge Transactions in respect of the Series Portfolio will be:

"**BBR Swap Transaction**" means the BBR swap transaction entered into between the Series AssetCo and the Series Hedge Provider as series BBR swap provider (the "**BBR Swap Provider**") effective on or about the Issue Date.

"**Bullet Cap Transaction**" means the interest rate bullet cap transaction entered into between the Series AssetCo and the Series Hedge Provider as series interest rate cap provider (the "**Bullet Cap Provider**") effective on or about the Issue Date.

"**Fixed/Floating Swap Transaction**" means the fixed/floating swap transaction entered into between the Series AssetCo and the Series Hedge Provider as series fixed/floating swap provider (the "**Fixed/Floating Swap Provider**") effective on or about the Issue Date.

"LIBOR Basis Swap Transactions" means the two basis swap transactions entered into between the Series AssetCo and the Series Hedge Provider as series LIBOR basis swap provider (the **"LIBOR Basis Swap Provider"**) effective on or about the Issue Date.

Bullet Cap Agreement

As described in the Base Prospectus under "*Transaction Documents – Series Transaction Documents – Series Hedge Agreements – Bullet Cap Agreement*", the Series AssetCo will enter into a Bullet Cap Transaction (that transaction and the ISDA Master Agreement to which it is subject, the **"Bullet Cap Agreement"**) with the Bullet Cap Provider effective on or about the Issue Date in order to mitigate its exposure to a higher rate of default in payment on the Series Portfolio.

The Bullet Cap Transaction will be in respect of a notional amount of £136,652,340 for a period of approximately 6 years and a strike rate of 9.00 *per cent.*. Under the Bullet Cap Transaction, the Bullet Cap Provider will make payments to the Series AssetCo if 3 month Sterling LIBOR (determined as set out in the Bullet Cap Transaction) exceeds the strike rate.

BBR Swap Agreement

As described in the Base Prospectus under "*Transaction Documents – Series Transaction Documents – Series Hedge Agreements – BBR Swap Agreement*", the Series AssetCo will mitigate its exposure to a discrepancy between the interest rate applicable to the Notes and the Loan BBR payable on the BBR Linked Loans by entering into a BBR Swap Transaction (that transaction and the ISDA Master Agreement to which it is subject, the **"BBR Swap Agreement"**) with the BBR Swap Provider effective on or about the Issue Date.

Under the BBR Swap Transaction, the Series AssetCo will pay the BBR Swap Provider Bank of England Base Rate ("**BBR**") and will receive 3 month Sterling LIBOR (determined as set out in the BBR Swap Transaction) (minus a margin) on the outstanding principal balance of the outstanding BBR Linked Loans (which are less than or equal to 90 days in arrears).

Fixed/Floating Swap Agreement

As described in the Base Prospectus under "*Transaction Documents – Series Transaction Documents – Series Hedge Agreements – Fixed/Floating Swap Agreement*", the Series AssetCo will mitigate its exposure to a possible mismatch between Note LIBOR and the fixed rate of interest on some of the Loans by entering into a Fixed/Floating Swap Transaction (that transaction and the ISDA Master Agreement to which it is subject, the **"Fixed/Floating Swap Agreement"**) with the Fixed/Floating Swap Provider effective on or about the Issue Date.

Under the Fixed/Floating Swap Transaction the Series AssetCo will pay the Fixed/Floating Swap Provider a fixed amount and will receive 3 month Sterling LIBOR (determined as set out in the Fixed/Floating Swap Transaction) on the outstanding principal balance of the outstanding Fixed Rate Loans (which are less than or equal to 90 days in arrears). In addition, the Fixed/Floating Swap Provider will pay to the Series AssetCo an amount equal to 1.74 per cent. of the outstanding principal balance of Fixed Rate Loans then outstanding (and which are less than or equal to 90 days in arrears). Such amount will not form part of Available Revenue Funds but will comprise Supplemental Swap Fee and, as described in "*Series Specific Provisions - Series Portfolio Purchase Agreement - Series Portfolio Purchase Deferred Consideration*", will be paid by the Series AssetCo to the Seller as part of the consideration for the purchase of the Series Portfolio.

LIBOR Basis Swap Agreements

As described in the Base Prospectus under "*Transaction Documents – Series Transaction Documents – Series Hedge Agreements – LIBOR Basis Swap Agreement*", the Series AssetCo will mitigate its exposure to possible discrepancies in Loan LIBOR calculated as of different dates by entering into two LIBOR Basis Swap Transactions (each transaction and the ISDA Master Agreement to which it is subject, a **"LIBOR Basis Swap Agreement"**) with the LIBOR Basis Swap Provider effective on or about the Issue Date.

Under the first LIBOR Basis Swap Transaction the Series AssetCo will pay the LIBOR Basis Swap Provider 3 month Sterling LIBOR set on a Loan LIBOR Fixing Date and will receive 3 month Sterling

LIBOR (determined on the reset dates for the relevant Series Intercompany Loan) (plus or minus a margin, if applicable) on the outstanding principal balance of the outstanding LIBOR Linked Loans which are GMAC Loans (which are less than or equal to 90 days in arrears).

Under the second LIBOR Basis Swap Transaction the Series AssetCo will pay the LIBOR Basis Swap Provider 3 month Sterling LIBOR set on a Loan LIBOR Fixing Date and will receive 3 month Sterling LIBOR (determined on the reset dates for the relevant Series Intercompany Loan) (plus or minus a margin, if applicable) on the outstanding principal balance of the outstanding LIBOR Linked Loans which are KMC Loans, MPL Loans or PFL Loans (which are less than or equal to 90 days in arrears).

Hedge Collateral and Replacement Hedge Premium

The Series AssetCo shall deposit any Hedge Collateral received by it under a Series Hedge Agreement in the Series Investment Account (for credit to a separate ledger, the "**Series Hedge Collateral Ledger**", maintained for such purpose). The Series AssetCo shall deposit any Replacement Hedge Premium to be paid by or to it in the Series Investment Account (for credit to a separate ledger, the "**Series Hedge Premium Ledger**", maintained for such purpose).

Withholding Tax in respect of the Series Hedge Agreements

The Series AssetCo and the Series Hedge Provider will represent and warrant in each of the Series Hedge Agreements that, under current applicable law, they are entitled to make all swap payments required to be made by them under such Series Hedging Agreements free and clear of, and without deduction for or on account of, any taxes, assessments, or other governmental charges. However, neither the Series AssetCo nor the Series Hedge Provider will be required to indemnify the other party for any withholding taxes imposed on payments under any Series Hedge Agreement.

If any withholding taxes would be imposed on any payments made or required to be made under any Series Hedging Agreement as a result of a change in applicable law or practice and the obligation to deduct or withhold cannot be avoided by the Series Hedge Provider, the affected party may terminate the relevant Series Hedging Agreement.

Part L: Series LOC Agreement

Series LOC Agreement

Not Applicable.

Series LOC Provider

Not Applicable.

Series LOC Amount

Not Applicable.

Series LOC Permitted Purposes

Not Applicable.

Series LOC Repayment Provisions

Not Applicable.

ISSUER SPECIFIC PROVISIONS

Part A: Security

Trustee

LaSalle Global Trust Services Limited (the "**LaSalle**") a limited liability company incorporated under the laws of England and Wales (registration number 2379632) with registered office and place of business at 5 Canada Square, London E14 5AQ.

Trustee Specified Office

5 Canada Square, London E14 5AQ

Issuer Security Deed

The Issuer Security Deed dated on or about the Programme Establishment Date between the Issuer and the Trustee.

Issuer Security Deed Supplement

The Issuer Security Deed Supplement dated on or about the Issue Date between the Issuer and the Trustee.

Trustee Fee

The Issuer will pay a fee to the Trustee at the rate and on the terms specified in the Trust Deed.

Part B: Issuer Accounts

Issuer Account Bank

Bank of America acting through its office at 5 Canada Square, London E14 5AQ.

Issuer Bank Account Agreement

The Issuer Bank Account Agreement date on or about the Issue Date between the Issuer, the Trustee, the Series Cash Manager, and the Issuer Account Bank.

Issuer Accounts

The Issuer Account Bank will open a sterling denominated transaction account in the name of the Issuer (the "**Issuer Series 2008-1 Sterling Transaction Account**") for day to day cash management purposes of all amounts denominated in sterling.

Part C: Distribution Scheme

Issuer Pre-Enforcement Revenue Priority of Payments

On each Interest Payment Date and prior to the enforcement of the Issuer Security under the Issuer Security Deed and any Issuer Security Deed Supplement, the Series Cash Manager will, on behalf of the Issuer, apply Issuer Available Revenue Receipts in the following order of priority (the "**Issuer Pre-Enforcement Revenue Priority of Payments**"):

- (a) *first*, (A) first, to pay amounts due and payable to the Trustee (in respect of the Series 2008-1) then due and (B) second, in or towards satisfaction of all Issuer Senior Expenses (including for both (A) and (B) any indemnity payments payable by the Issuer) then due, *pro rata* and *pari passu* according to the respective amounts thereof;
- (b) *second*, to pay amounts (other than in respect of principal) payable in respect of the A Notes, (such amounts to be paid according to the respective interest entitlements of the A Noteholders);
- (c) *third*, to pay amounts (other than in respect of principal) payable in respect of the M1 Notes (such amounts to be paid according to the interest entitlements of the M1 Noteholders);

- (d) *fourth*, to pay amounts (other than in respect of principal) payable in respect of the M2 Notes (such amounts to be paid according to the interest entitlements of the M2 Noteholders);
- (e) *fifth*, to pay amounts (other than in respect of principal) payable in respect of the B Notes (such amounts to be paid according to the interest entitlements of the B Noteholders);
- (f) *sixth*, to pay (other than in respect of principal) payable in respect of the C Notes (such amounts to be paid according to the interest entitlements of the C Noteholders);
- (g) *seventh*, to pay (other than in respect of principal) payable in respect of the D Notes (such amounts to be paid according to the interest entitlements of the D Noteholders);
- (h) *eighth*, to pay *pari passu* and *pro rata* an amount, if any, equal to the portion of value added tax owing in respect of any fee due and payable to the Series Cash Manager (in respect of the Series 2008-1) under the Series Cash Management Agreement that exceeds 17.5%;
- (i) *ninth*, in or towards satisfaction of all other amounts due and payable to any other Issuer Secured Creditor that are not otherwise provided for in this priority of payments or in the Issuer Pre-Enforcement Principal Priority of Payments;
- (j) *tenth*, to pay *pari passu* and *pro rata* amounts (other than in respect of principal) payable in respect of the S Note;
- (k) *eleventh*, to retain the Issuer Retained Profit in the Issuer; and
- (l) *twelfth*, *pari passu* and *pro rata* to the holders of the S Notes in respect of principal amount due on the S Notes.

"**Issuer Available Revenue Receipts**" means receipts by the Issuer under the Series Pre-Enforcement Revenue Priority of Payments or following the service of a Series Enforcement Notice, receipts by the Issuer of amounts (other than in respect of principal) under the Series Post-Enforcement Priority of Payments.

"**Issuer Retained Profit**" means £250 per quarter.

Issuer Pre-Enforcement Principal Priority of Payments

On each Interest Payment Date and prior to the enforcement of the Issuer Security under the Issuer Security Deed and any Issuer Security Deed Supplement, the Series Cash Manager will, on behalf of the Issuer, apply Issuer Available Principal Receipts in the following order of priority (the "**Issuer Pre-Enforcement Principal Priority of Payments**"):

- (a) *first*, to the holders of the A Notes, in respect of principal amount outstanding on the A Notes;
- (b) *second*, to the holders of the M1 Notes in respect of principal amount outstanding on the M1 Notes;
- (c) *third*, to the holders of the M2 Notes in respect of principal amount outstanding on the M2 Notes;
- (d) *fourth*, to the holders of the B Notes in respect of principal amount outstanding on the B Notes;
- (e) *fifth*, to the holders of the C Notes in respect of principal amount outstanding on the C Notes; and
- (f) *sixth*, to the holders of the D Notes in respect of principal amount outstanding on the D Notes.

provided always that the Issuer Available Principal Receipts shall not be applied in the order set out in the Issuer Pre-Enforcement Principal Priority of Payments but shall instead be applied *pro rata* in redeeming each tranche of Notes according to the then Principal Amount Outstanding of the relevant tranche of Notes between the A Note, M1 Note, the M2 Note, the B Note comprising items (a) to (d), respectively, of the Issuer Pre-Enforcement Principal Priority of Payments on any Interest Payment Date immediately succeeding a Determination Date on which all of the following conditions are met:

- (i) the Trigger Ratio is satisfied;

- (ii) the balance on each of the A Principal Deficiency Sub-Ledger, the M1 Principal Deficiency Sub-Ledger, the M2 Principal Deficiency Sub-Ledger and the B Principal Deficiency Sub-Ledger is zero;
- (iii) the amount of the available Series Liquidity Reserve Fund is not below the Series Liquidity Reserve Fund Required Amount;
- (iv) the aggregate Principal Amount Outstanding of the Notes (excluding the S Notes) is more than 10 *per cent.* of the aggregate Principal Amount Outstanding of the Notes (excluding the S Notes) on the Issue Date; and
- (v) the aggregate of the balances of all Loans in the Series Portfolio that are 90 days or more in arrears (including, for the avoidance of doubt, any Loans in that Series Portfolio in respect of which Enforcement Procedures have commenced and the Property in respect of that Loan has not been sold) on such Determination Date as a percentage of the aggregate balances of all Loans in the Series Portfolio does not exceed 17 *per cent.* (or such greater percentage agreed between the Series AssetCo and the Series Security Trustee and as notified by the Rating Agencies from time to time upon the basis that such increase will not adversely affect the then current rating of the Notes of the Series);

The "**Trigger Ratio**" shall be satisfied if the Principal Amount Outstanding of the A Notes on the Determination Date on which the Trigger Ratio is to be calculated is equal to or less than 50 *per cent.* of the Principal Amount Outstanding of the A Notes on the Issue Date.

"**Issuer Available Principal Receipts**" means receipts by the Issuer under the Series Pre-Enforcement Principal Priority of Payments or following the service of a Series Enforcement Notice, receipts by the Issuer of amounts in respect of principal under the Series Post-Enforcement Priority of Payments.

Issuer Post-Enforcement Priority of Payments

On each Interest Payment Date following the delivery of an Enforcement Notice, the Series Cash Manager (on behalf of the Trustee) will apply amounts received or recovered by the Trustee (or any receiver, administrative receiver or manager appointed on its behalf) in accordance with the following order of priority (the "**Issuer Post-Enforcement Priority of Payments**"):

- (a) *first*, in or towards satisfaction of any remuneration due and payable to the Trustee (in respect of the Series 2008-1) (or any administrative receiver, receiver, manager or other person appointed by it) under the Issuer Security Deed, any Issuer Security Deed Supplement and the other Issuer Transaction Documents, and any costs, charges, liabilities and expenses incurred by the Trustee (in respect of the Series 2008-1) (including, without limitation, any claims in respect of any indemnities) thereunder, to be paid to the Trustee (or any administrative receiver, receiver, manager or other person appointed by it);
- (b) *second*, in or towards satisfaction *pro rata* and *pari passu* according to the respective amounts thereof of:
 - (i) amounts due and payable to the Corporate Services Provider (in respect of the Series 2008-1) under the Issuer Corporate Services Agreement;
 - (ii) amounts due and payable to the Issuer Account Bank (in respect of the Series 2008-1) under the Issuer Bank Account Agreement;
 - (iii) amounts due and payable to the Series Cash Manager (in respect of the Series 2008-1) under the Series Cash Management Agreement;
 - (iv) amounts due and payable to the Paying Agents (in respect of the Series 2008-1), Transfer Agent (in respect of the Series 2008-1), Agent Bank (in respect of the Series 2008-1) and Registrar (in respect of the Series 2008-1) under the Agency Agreement; and

- (v) amounts due and payable, including any fee payable inclusive of value added tax up to 17.5%, to the Series Cash Manager (in respect of the Series 2008-1) under the Series Cash Management Agreement, to be paid to the Series Cash Manager,
- (c) *third, to pay, pro rata and pari passu:*
 - (i) amounts (other than in respect of principal) payable in respect of the A Notes (such amounts to be paid according to the respective interest entitlements of the A Noteholders); and
 - (ii) to the holders of the A Notes, in respect of principal of the A Notes;
- (d) *fourth, to pay, pro rata and pari passu:*
 - (i) amounts (other than in respect of principal) payable in respect of the M1 Notes (such amounts to be paid according to the respective interest entitlements of the M1 Noteholders);
 - (ii) to the holders of the M1 Notes in respect of principal of the M1 Notes;
- (e) *fifth, to pay, pro rata and pari passu:*
 - (i) amounts (other than in respect of principal) payable in respect of the M2 Notes (such amounts to be paid according to the interest entitlements of the M2 Noteholders); and
 - (ii) to the holders of the M2 Notes in respect of principal of the M2 Notes;
- (f) *sixth, to pay, pro rata and pari passu:*
 - (i) amounts (other than in respect of principal) payable in respect of the B Notes (such amounts to be paid according to the respective interest entitlements of the B Noteholders);
 - (ii) to the holders of the B Notes in respect of principal of the B Notes;
- (g) *seventh, to pay, pro rata and pari passu:*
 - (i) amounts (other than in respect of principal) payable in respect of the C Notes (such amounts to be paid according to the interest entitlements of the C Noteholders); and
 - (ii) to the holders of the C Notes in respect of principal of the C Notes;
- (h) *eighth, to pay, pro rata and pari passu:*
 - (i) amounts (other than in respect of principal) payable in respect of the D Notes (such amounts to be paid according to the interest entitlements of the D Noteholders); and
 - (ii) to the holders of the D Notes in respect of principal of the D Notes;
- (i) *ninth, to pay, pro rata and pari passu:*
 - (i) amounts (other than in respect of principal) payable in respect of the S Notes (such amounts to be paid *pro rata* according to the respective interest entitlements of the S Noteholders); and
 - (ii) to the holders of the S Notes in respect of principal of the S Notes;
- (j) *tenth, to pay pari passu and pro rata an amount, if any, equal to the portion of value added tax owing in respect of any fee due and payable to the Series Cash Manager (in respect of the Series 2008-1) under the Series Cash Management Agreement that exceeds 17.5%;*

- (k) *eleventh*, to pay *pro rata* and *pari passu*, in or towards the satisfaction of:
 - (i) amounts then accrued but remaining unpaid to third parties (in respect of the Series 2008-1) (including audit fees and value added tax, if any) incurred without breach by the Issuer of the Issuer Transaction Documents paid directly to the relevant third party;
 - (ii) all other amounts due and payable to any other Issuer Secured Creditors that are not otherwise provided for in this priority of payments;
- (l) *twelfth*, to retain the Issuer Retained Profit in the Issuer.

"Interest Payment Date" means, beginning on the 10th day of March, June, September and December in each calendar year unless such day is not a Business Day, in which case the Interest Payment Date shall be the following day which is a Business Day.

ADDITIONAL INFORMATION ABOUT THE SERIES PORTFOLIOS

The information contained in this section headed "*Additional Information about the Series Portfolio*" relates to and has been obtained from GMAC-RFC, KMC, Edeus and PFL in relation to the GMAC Loans, the KMC Loans, the MPL Loans, the Edeus Loans and the PFL Loans, respectively. The delivery of the Transaction Documents shall not create any implication that there has been no change in such information since the date of this Supplement, or that the information contained or referred to in this section is correct as of any time subsequent to the date of this Supplement.

The following is a summary of certain aspects relating to the Series by way of supplement to the aspects summarised in the section entitled "*The Series Portfolio*" in the Base Prospectus.

Origination Procedures and underwriting of Series Portfolio

GMAC-RFC is not, at the date of this Supplement, actively making loans to borrowers. GMAC-RFC derived its mortgage business from a network of authorised packagers that were been approved by GMAC-RFC (the "**Packagers**") and who may have been remote processors. None of the Loans in the Series Portfolios are derived from direct dealings of the Packagers with consumers.

GMAC-RFC regularly monitored the performance of all its partners during the course of its business.

GMAC-RFC sourced its mortgage business primarily through the Packagers for the submission of loan applications and the introduction of potential borrowers to GMAC-RFC and its mortgage and related financial products. GMAC-RFC had approximately 90 such Packagers operating throughout the United Kingdom, and many of these Packagers had their own network of mortgage intermediaries attracting business on their behalf. GMAC-RFC has sourced business direct from mortgage intermediaries that are authorised by the FSA to conduct mortgage business in so far as may be required under the FSMA. See "*Regulation of the UK Residential Mortgage Market*" in the Base Prospectus. This business was processed through GMAC-RFC's headquarters in Bracknell. From time to time, a number of these intermediaries also carried on packaging activities for GMAC-RFC.

GMAC-RFC required professional and business standards to be met as a precondition to becoming one of its Packagers or Remote Processors. Before becoming a GMAC-RFC Packager or Remote Processor, a packager or remote processor had to, among other things, confirm that: (a) it held all necessary authorisations and permissions under the FSMA in respect of its activities as a packager or remote processor; (b) it was (before 1 March 2000) registered under the Data Protection Act 1984 or (on and after 1 March 2000) notified under the Data Protection Act 1998; (c) it would comply with the Guidelines for non-standard lending; and (d) it held, and would maintain, a Consumer Credit Licence. Before N(M), packagers or remote processors were required to confirm that they were registered with the appropriate self-regulatory body before becoming a GMAC-RFC Packager or Remote Processor.

GMAC-RFC also operated a remote processing programme. The participating firms in the remote processing programme (the "**Remote Processors**") originated loans on behalf of GMAC-RFC using GMAC-RFC's standard terms mortgage documentation. The Remote Processors used underwriters who were trained and supervised by GMAC-RFC to apply GMAC-RFC's Lending Criteria. An underwriter who was employed by GMAC-RFC and located on the Remote Processor's premises gave the final approval for each mortgage application.

KMC follows the Guidelines. The Guidelines regulate the activities of lenders in relation to their activities in the non-status lending market in areas such as advertising and marketing, loan documentation and contract terms, the relationship between lenders and brokers, selling methods, underwriting, dual interest rates and early redemption payments. The Guidelines promote transparency in all dealings with borrowers, requiring clear contract terms and conditions to be provided promptly with full explanations of all fees and charges payable by the borrower in connection with the mortgage.

The Guidelines, like the Mortgage Code, provide that lenders must carry on responsible lending, with all underwriting decisions being subject to a proper assessment of the borrower's ability to repay, taking into account all relevant circumstances, such as the purpose of the loan, the borrower's income, outgoings, employment and previous credit history. Lenders must take all reasonable steps to verify the accuracy of information provided by borrowers on or in support of the loan application and all underwriting staff must be properly trained and supervised.

Throughout the term of the mortgage, the Guidelines emphasise prompt notification to borrowers of any changes in the terms and conditions of the mortgage. For example, the lender may not change the borrower's monthly payment date unilaterally unless two months' notice has been given and the borrower must be given at least fourteen days' notice of any variation to the applicable interest rate.

Lending criteria used in origination of GMAC Loans ("GMAC-RFC Lending Criteria")

The following is a summary of the GMAC-RFC Lending Criteria that were applied (subject to GMAC-RFC taking reasonable steps to ensure it was the case (and that any discretions to deviate from such criteria were exercised in accordance with GMAC-RFC's policies)) in respect of the Loans originated by GMAC-RFC (each a "**GMAC Loan**") in the Series Portfolio.

- (i) *Security*
 - (a) GMAC-RFC requires a first legal charge over the Property. It must be used by the Borrower(s) for private residential purposes only. Full vacant possession must be obtained at completion and no part let or part possession will be accepted.
 - (b) Mortgage properties are required to be valued using an automated valuation model ("**AVM**") or by a suitably qualified valuer on GMAC-RFC's approved panel of valuers, as agreed from time to time and managed and monitored by credit risk. For a buy to let ("**BTL**") Loan, the valuation report must provide an estimate of the rental income that may be obtained and must also provide comparables in line with the valuation.
 - (c) Property securing a BTL Loan must be let on a six or 12 month assured shorthold tenancy or on a company let not exceeding 36 months. It must be let within three months of completion of the Loan, and remain available for letting throughout the term of the Loan.
 - (d) Property securing a BTL Loan may not be occupied by the borrower.
 - (e) The following property types are considered unacceptable security:
 - (1) Properties of non standard construction, except concrete no-fines. Laing Easiform, Crosswall, Modern Method of construction to timber frame with brick exterior
 - (2) Properties with non standard roof construction
 - (3) Freehold flats and maisonettes (in England & Wales only)
 - (4) Residential flats above commercial premises, with an LTV of more than 85 *per cent*.
 - (5) Investment flats above commercial premises, with an LTV of more than 75 *per cent*.
 - (6) Studio flats
 - (7) Properties with unexpired lease term of less than 30 years at end of the mortgage term.
 - (8) Shared ownership properties
 - (9) Tenanted properties (residential only)
 - (10) Investment properties (residential only)
 - (11) Commercial properties
 - (12) Properties subject to agricultural restrictions

- (13) Properties under 10 years old without one of the following:
 - (A) NHBC Certificate
 - (B) Zurich Municipal Guarantee
 - (C) Architect's Certificate (RIBA)
 - (D) Chartered Building Surveyor's Certificate
 - (E) Premier Guarantee
- (14) Properties where stage payments are required
- (15) Unimproved/uninhabitable properties i.e. no kitchen or bathroom
- (16) Properties with two kitchens and/or multiple services on BTL loans
- (17) Properties with greater than two kitchens and/or multiple services on residential loans.
- (18) Prefabricated or large panel concrete construction (LPS).
- (19) Pre-fabricated reinforced concrete construction (PRC).
- (20) Concrete block construction designated Mundic
- (21) Properties of high alumina cement
- (22) BISF, metal and steel framed properties
- (23) Any property designated defective under the Housing Act
- (24) Properties of 100 *per cent.* timber construction
- (25) Properties with ongoing structural movement or movement that requires monitoring
- (26) Underpinned properties where no guarantees are available
- (27) Uninsurable properties, or properties subject to an ongoing insurance claim
- (28) Properties likely to be adversely affected by local planning, e.g. road widening
- (29) Properties where an unsatisfactory mining search is received
- (30) Grade 1 listed buildings
- (31) Second homes/holiday homes
- (32) Mobile homes and houseboats
- (33) Properties with land in excess of 5 hectares/12 acres
- (34) Properties subject to local/restrictive covenants
- (35) Properties where the commercial usage exceeds 40%
- (36) Where the valuation report indicates:
 - (A) The interior/exterior condition of the property is poor & demand is poor
 - (B) The saleability of the property is affected by local factors & demand is poor

(ii) *Loan size*

GMAC-RFC will not originate a Loan that will be £25,000 or less at the time of completion. The maximum loan size is £1,000,000 for verified loans and £750,000 for self-certified Loans and BTL Loans.

(iii) *Loan to Value*

The loan to value ratio ("**LTV**") is calculated by dividing the gross principal amount (net of any fees) committed at completion of the Loan by the lower of the valuation of the Property or, in the case of a Loan made for financing the purchase of a Property, the disclosed purchase price (except in exceptional cases, i.e. where the purchase price that has been paid reflects a discount).

GMAC-RFC does not originate Loans with an LTV higher than 95 *per cent* (90 *per cent* for self-certified Loans, 89 *per cent* for BTL Loans), subject to exceptions in certain circumstances.

(iv) *Term*

Each Loan must have an initial term of between 5 and 30 years.

(v) *Borrowers*

- (a) Borrowers must be natural persons, and have been at least 18 years of age (or, in the case of BTL Mortgages, the primary applicant must be at least 25 years of age) prior to completion of the Loan and the term of mortgage loans usually must end before the primary applicant reaches his/her 76th birthday (subject to approved exceptions)
- (b) A maximum number of 4 Borrowers are allowed to be parties to a Loan or 2 Borrowers for BTL Loans
- (c) The Borrower's credit and employment history will have been assessed with the aid of one or more of the following:
 - (1) Search supplied by credit reference agency
 - (2) Confirmation of voters roll entries or proof of residency
 - (3) Reduced referencing telephone call to applicants employer to verify works there unless selected for an audit then a reference from current employers
 - (4) Reduced referencing telephone call to applicants accountant to confirm acts for applicant unless selected for an audit then an Accountant's certificate
 - (5) Reference from current lenders
 - (6) Reference from current landlords
- (d) Only 1 satisfied CCJ/default is permitted with a total value of £300. The restriction will not apply in the following circumstances:
 - (1) Where the CCJ/default was registered more than 3 years ago and satisfied at time of application
 - (2) Where the CCJ/default was satisfied more than 12 months prior to application, regardless of the date of registration
 - (3) Where the CCJ/default was registered more than 6 years ago, ignored regardless of whether or not it was satisfied/settled.

In these instances there will be no limit on the number or value of CCJ/defaults permitted. Where the CCJ/default has been satisfied/settled within the last 12 months, it will not be acceptable regardless of number or value. Where satisfaction of CCJs is a requirement of the Loan, a certificate of satisfaction must have been provided.

- (e) Borrowers who were the subject of a BO must have provided a certificate of discharge. Borrowers who were the subject of an IVA will have provided a confirmation of satisfactory conduct of the IVA where appropriate.

(vi) *Income*

BTL Loans are deemed to be self-funding. Applicants will declare on the application form details of income and occupation, but no further information is required. Unemployed applicants (not including housewives) will be unacceptable. Gross monthly rental income must be at least 100 *per cent.* of the monthly mortgage interest payments. Affordability is calculated at the current interest rate of the Loan or the Bank of England repo rate plus a reference margin. The reference margin ranges from 1.00 *per cent.* to 1.25 *per cent.*

(vii) *Solicitors*

GMAC-RFC will normally instruct the applicant's solicitor to act on its behalf provided that the firm meets the following criteria:

- (a) Has a minimum of two partners
- (b) Has indemnity insurance in place (minimum £1,000,000)
- (c) All partners have current practising certificates

Sole practitioners will not be instructed to act on behalf of the company. Licensed conveyancers will not normally be instructed to act on behalf of the company.

(viii) *Retentions*

GMAC-RFC does not allow partial retentions. For residential applications where a retention of £5,000 or less or for a BTL application where a retention of £2,500 or less, and provided that the works are not related to structural faults or dry rot, the company will proceed on the basis that the applicant(s) undertake(s) to carry out the necessary works within a specified period of completion. This will normally be three or six months, depending upon the nature of the works. Lending will be based on the after-works value, provided the LTV does not exceed 100 *per cent.* based on the current valuation, no matter what the nature of the works required or the actual cost. The 'after-works' value can be no more than 10 *per cent.* higher than the 'present-condition' valuation.

(ix) *Exceptions/Changes to the GMAC-RFC Lending Criteria*

GMAC-RFC took reasonable steps at the time of origination of the GMAC Loans to ensure that the GMAC-RFC Lending Criteria were satisfied (and that any discretions were exercised in accordance with GMAC-RFC's policies).

Lending Criteria used in the origination of KMC Loans ("KMC Lending Criteria")

The following is a summary of the KMC Lending Criteria that were applied (subject to such deviation made in accordance with the standard of a prudent residential mortgage lender) in respect of the Loans originated by KMC (each a "**KMC Loan**") in the Series Portfolio.

(x) *Security*

- (a) Each Loan must be secured by a first legal mortgage over a Property in Scotland, England or Wales, the primary use of which is residential, except for any prior ranking statutory charge or standard security (as referred to in Section 156 of the Housing Act 1985 or Section 72 of the Housing (Scotland) Act 1987) in relation to a Loan that has a right to buy option for which KMC or NPMF has the benefit of insurance that has a right to buy option.
- (b) Only Property of standard construction intended for use wholly or partly as a principal place of residence. A Property which may be let as a holiday letting is acceptable.

- (c) Properties under 10 years old will have the benefit of a NHBC, Zurich, Premier guarantee or an architect's certificate or equivalent guarantee from an acceptable body.
- (d) The following types of building are deemed unacceptable as security:
 - (1) Properties of 100 *per cent.* timber construction
 - (2) Properties designated as defective under the Housing Defects Act 1984 and 1985
 - (3) Properties containing mundic block materials
 - (4) Ex-Local Authority flats and maisonettes
 - (5) High rise flats
 - (6) Studio flats
 - (7) Steel framed properties
 - (8) Freehold flats and maisonettes
 - (9) Properties purchased under the Local Authority Right-to-Buy scheme where the statutory charge still applies (unless right to buy insurance is in place)
- (e) The following property types are generally never acceptable:
 - (1) Properties with agricultural restrictions
 - (2) Properties determined as unacceptable security
 - (3) Properties not wholly owned by the borrower. For example where equity is retained by a builder/developer, housing association or third party
 - (4) Multi-unit properties
 - (5) Prefabricated re-enforced concrete (repaired or not)
 - (6) Flats above commercial premises
- (f) Each Property offered as security will have been valued by a qualified surveyor (ARICS or equivalent qualification) chosen from a panel of valuation firms approved by Newbury Park Mortgage Funding Limited ("NPMF") and the Agent or valued using an automated valuation model ("AVM").
- (g) Where the value of the security is over £500,000, a Hometrack Audit Valuation Model will be requested and in the event that this valuation is greater than 10 *per cent.* lower than the Royal Institute of Chartered Surveyors ("RICS") valuation, a full second RICS report will be requested. Where a second RICS valuation has been obtained, lending will be based on the lower of the two valuation figures.
- (h) At the time of completion, the relevant Property must have been insured under a Third Party Policy against all risks usually covered by a Prudent Mortgage Lender when advancing money on the security of property of the same nature to an amount not less than the full reinstatement value determined at or around the time the related Loan was made and KMC has not received notice of any circumstances giving the insurer thereunder the right to avoid or terminate the policy.
- (i) Loans may, in some cases, have the benefit of additional security by way of collateral security over one or more life insurance policies.

(xi) *Loan Amount*

Loans must be at least £25,001 (excluding fees and expenses). Loans (including Further Advances) will not exceed £1,000,000 at any time during the life of the Loan.

(xii) *Loan to Value*

The LTV is calculated by dividing the gross principal amount advanced at completion of the Loan by the value of the Property at origination of the Loan or, in some cases, the lower of such valuation and the sale price.

The LTV of each Loan at the date of the initial advance and any further advance must be no more than 95 *per cent.* (exclusive of any arrangement fee which may be added to the Loan).

(xiii) *Term*

Each Loan must have an initial term of between 5 and 30 years.

(xiv) *Borrowers*

- (a) Borrowers must be natural persons, and have been at least 18 years of age prior to completion of the Loan.
- (b) A maximum number of 4 Borrowers are allowed to be parties to a Loan.
- (c) The Borrower's credit and employment history will have been assessed with the aid of one or more of the following:
 - (1) Search supplied by credit reference agency
 - (2) Confirmation of voters roll entries or proof of residency
 - (3) Reference from current employers
 - (4) Accountant's certificate
 - (5) Reference from current lenders
 - (6) Reference from current landlords
 - (7) CAIS information
- (d) Where a County Court Judgement (or its Scottish equivalent) ("**CCJ**") relating to a Borrower has been revealed by the credit reference search or instalment arrears have been revealed by lenders or landlords' references or a Borrower has been subject to a bankruptcy order (or its Scottish equivalent) ("**BO**") or individual voluntary arrangement ("**IVA**"), explanations should have been provided. Generally, a CCJ will be acceptable without an explanation if it (i) was registered not less than 2 years before the Borrower's application for a loan, (ii) was satisfied not less than 12 months before the Borrower's application for a loan and (iii) related to a sum of not more than £100.
- (e) Borrowers who were the subject of a BO must have provided a certificate of discharge. Borrowers who were the subject of an IVA will have provided a confirmation of satisfactory conduct of the IVA where appropriate.

(xv) *Income*

Income is determined by reference to the application form and supporting documentation, where appropriate, and may consist of salary plus additional regular remuneration for employed Borrowers, net profit plus any additional income confirmed by the accountant for self-employed Borrowers (holding at least 25 *per cent.* of the issued share capital of the company, partner in a partnership, or a sole trader), pensions, investments and rental income, and other monies approved by an authorised officer of NPMF or its delegate or agent.

The maximum Loan will not exceed the higher of (i) 4.5 times the assessed income of the primary borrower plus 1 times the assessed income of the secondary borrower, or 3.5 times the combined assessed incomes of the primary and secondary Borrowers, or (ii) an amount determined in accordance with affordability criteria of KMC.

The assessed rental income in relation to any Buy to Let Loan must exceed 110% of the assessed monthly interest payment of the Loan at the time of underwriting.

(xvi) *Solicitors*

The firm of solicitors acting on behalf of KMC must have at least two practising partners (if a partnership) or two principals (if an LLP) or two directors (if a company) or alternatively the Loan must be originated in accordance with the relevant procedure for completion of Loans the subject of title insurance.

(xvii) *Further Advances*

Further Advances are governed by the same criteria as initial advances with the following additions:

- (a) at least three months must have elapsed since completion of the initial advance;
- (b) repayments on the Loan must be up-to-date; and
- (c) the Loan must have experienced arrears no greater than 1 month at any time in the previous 3 months.

(xviii) *Exceptions/Changes to the KMC Lending Criteria*

KMC may vary the KMC Lending Criteria from time to time in the manner of a prudent residential mortgage lender.

Lending Criteria used in origination of MPL Loans ("MPL Lending Criteria")

The following is a summary of the MPL Lending Criteria that were applied (subject to such deviation made in accordance with the standard of a prudent residential mortgage lender) in respect of the Loans in the Series Portfolio which were acquired by KMC from MPL (each a "MPL Loan").

(i) *Security*

- (a) Each Loan must be secured by a first legal mortgage over a Property in England or Wales or Scotland, the primary use of which is residential, except for any prior ranking statutory charge or standard security (as referred to in Section 156 of the Housing Act 1985 or Section 72 of the Housing (Scotland) Act 1987) in relation to a Loan that has a right to buy option for which KMC or NPMF has the benefit of insurance that has a right to buy option.
- (b) Only Property of standard construction intended for use wholly or partly as a principal place of residence or let under an assured shorthold tenancy.
- (c) Properties under 10 years old will have the benefit of a NHBC, Zurich, premier guarantee or architect's certificate or equivalent guarantee from an acceptable body.
- (d) The following types of Property are usually deemed unacceptable as security unless the prior written consent of the KMC or NPMF has been obtained:
 - (1) Freehold flats and maisonettes (other than in Scotland)
 - (2) Properties designated as defective under the Housing Defects Act 1984, Housing Act 1985 or the Housing (Scotland) Act 1987
 - (3) Properties containing mundic block materials or a steel frame

- (4) Ex-Local Authority flats exceeding four stories and not mortgagable through conventional sources and maisonettes except at the discretion of the director of lending of the Agent on the basis of a prudent mortgage lender
 - (5) Properties with agricultural restrictions
 - (6) Properties not wholly owned by the Borrower, where equity is retained by a builder/developer, housing association or other third party
- (e) To the extent required by the underwriting criteria, each Property offered as security will have been valued by a qualified surveyor (ARICS or equivalent qualification) chosen from a panel of valuation firms approved by KMC or NPMF (as the case may be).
- (f) Each Property is insured under a block buildings policy or a buildings insurance policy either (i) in the joint names of the mortgagor or KMC or (ii) with the interest of KMC or NPMF (as mortgagee) endorsed or deemed noted thereon or (iii) in the name of KMC alone or, in the case of leasehold property, is covered by a landlord's buildings insurance policy, with, where possible, the interests of KMC or NPMF and the mortgagor endorsed or deemed noted thereon, in each case with a reputable insurance company agreed to by KMC or NPMF, against all risks usually covered by a prudent mortgage lender when advancing money on the security of property of the same nature to an amount not less than the full reinstatement value determined at or around at the time the Loan was made and KMC or NPMF has not received notice of any circumstance giving the insurer thereunder the right to avoid or terminate the policy.
- (ii) *Loan Amount*
- Loans must be at least £25,001 (excluding fees and expenses). Loans (including Further Advances) will not exceed £1,000,000 at any time during the life of the Loan.
- (iii) *Loan to Value*
- The LTV is calculated by dividing the gross principal amount of a Loan (and Further Advance) to any on Borrower by the value of the Property at the time of the relevant Loan.
- The LTV of any Loan shall not exceed 90 *per cent.* including broker fees and completion costs, except that it may exceed 90 *per cent.* with Rating Agency confirmation as to the cash reserve to be held by the Series AssetCo.
- (iv) *Term*
- Each Loan must have an initial term of between 5 and 30 years.
- (v) *Borrowers*
- (a) Borrowers must have been at least 18 years of age prior to completion of the Loan and no older than 85 years of age at the end of the term of the Loan.
 - (b) A maximum number of 4 Borrowers are allowed for each Loan.
 - (c) The Borrower's credit and employment history will have been assessed with the aid of one or more of the following:
 - (1) Search supplied by credit reference agency
 - (2) Confirmation of voters roll entries
 - (3) Reference from current employers
 - (4) Accountant's certificate
 - (5) Reference from current lenders

(6) Reference from current landlords

- (d) A CCJ/Decree satisfied more than 12 months prior to application and CCJs for £100 or less whether satisfied or not or CCJs more than 2 years old will not be considered as adverse credit for the purposes of the KMC Lending Criteria and whilst still annotated on the underwriting progress chart, will be disregarded when assessing product eligibility. Explanations for these are not required. Where satisfaction of CCJs is a requirement of the Loan, a certificate of satisfaction must have been provided.
- (e) Borrowers who were the subject of a BO must have provided a certificate of discharge. Borrowers who were the subject of an IVA will have provided a confirmation of satisfactory conduct of the IVA where required under the Underwriting Criteria.
- (f) Where repayment of loan or rent arrears is required, confirmation of such repayment must have been obtained.

(vi) *Income and Rental Income*

Income is determined by reference to the application form and supporting documentation, where appropriate, and may consist of salary plus additional regular remuneration for employed Borrowers, net profit plus any additional income confirmed by the accountant for self-employed Borrowers (holding at least 25 *per cent.* of the issued share capital of the company, partner in a partnership, or a sole trader), pensions, investments and rental income, and other monies approved by an authorised officer of KMC or its delegate or agent.

Rental income is determined by reference to the application form and supporting documentation including where appropriate the opinion of a valuer or a reputable independent letting agent. It is the monthly amount a Property is let for or may reasonably be let for.

Payments in respect of a Loan, when aggregated with any other payments in respect of secured lending by a Borrower, will not exceed 40 *per cent.* of the assessed income of a sole borrower, or 40 *per cent.* of the combined assessed incomes of joint borrowers or if the amount of advance exceeds certain thresholds and depending on a number of other underwriting factors, such as prior CCJs relating to a Borrower, this figure is reduced to 35 *per cent.* In calculating annual income for a Borrower, bonus payments do not get annualised but will be included if the total annual figure after the regular base payments have been annualised.

The assessed rental income in relation to any Buy to Let Loan must exceed 110% of the assessed monthly interest payment of the Loan at the time of underwriting.

(vii) *Solicitors*

The firm of solicitors acting on behalf of KMC must have at least two practising partners (if a partnership) or two principals (if an LLP) or two directors (if a company) or alternatively the Loan must be originated in accordance with the relevant procedure for completion of Loans the subject of title insurance.

(viii) *Further Advances*

Further Advances are governed by the same criteria as initial advances with the following additions:

- (a) at least three months must have elapsed since completion of the initial advance;
- (b) repayments on the Loan must be up-to-date; and
- (c) the Loan must have experienced arrears no greater than one month at any time in the previous three months.

(ix) *Exceptions/Changes to the MPL Lending Criteria*

MPL may vary the MPL Lending Criteria from time to time in the manner of a prudent residential mortgage lender.

Lending Criteria used in origination of Edeus Loans ("Edeus Lending Criteria")

The following is a summary of the Edeus Lending Criteria that were applied (subject to such deviation made in accordance with the standard of a prudent residential mortgage lender) in respect of the Loans originated by Edeus (each a "**Edeus Loan**") in the Series Portfolio.

(i) *General Lending Principles*

- (a) All loans other than self-funding BTL (excluding FTB) must pass affordability. The income multiples applied cannot exceed five times the gross income of the two highest income earners.
- (b) Income
 - (1) Employed applicants - the annual income may comprise; basic salary (including shift allowance), large town allowance, mortgage subsidy, car allowance, regular or guaranteed overtime/bonus/commission.
 - (2) Self-employed applicants - annual income will be assessed from the accounting information supplied. Provided the income is steadily increasing the income taken will generally be the net profit from the latest year's accounts.
 - (3) Pension – personal, occupational, disability or state pension can be included.
 - (4) Rental / Investment Income – income from rental property (once any mortgages have been deducted) and investments may be included.
- (c) Loan Term - Each loan must have an initial term of between 5 and 40 years.
- (d) Borrowers
 - (1) Borrowers must have been at least 18 years of age and no older than 65 years of age if employed or 70 years of age if self-employed prior to completion of the Loan.
 - (2) A maximum number of 4 Borrowers are allowed for each Loan.
- (e) Residential History - A three year residential address history is required in all cases.

(ii) *Property*

- (a) All property must comprise a single residential dwelling unit, i.e. shared living accommodation/kitchen/bathroom etc. However, if both the application and the property are of suitable quality, a "granny annexe" may be considered suitable, subject to valuers comments.
- (b) New built property will have the benefit of a NHBC, Zurich, premier guarantee or Building Life Plans. Properties built less than 10 years ago without standard certification must be referred to the valuer for their comments as to saleability etc.
- (c) The following types of Property are usually deemed unacceptable:
 - (1) Studio Flats.
 - (2) Properties designated as defective under Part XVI Housing Act 1985 or Pre-Cast Reinforced Concrete (PRC) property (irrespective of whether repaired under a licensed repair scheme).

- (3) Properties constructed with high-alumina cement, Timber framed property with no brick skin or 100% steel or timber framed property.
 - (4) Property where material environmental hazards are present.
 - (5) Any property of Modern Method of Construction (MMC) a POD type construction where units are built off site, craned onto site and secured and serviced connected etc, then external clad.
 - (6) Any property containing Mundic concrete that does not have an "A" classification.
 - (7) Freehold flats and maisonettes. However applications may be acceptable where the applicant owns/will own the freehold and a long lease(s) is granted to the other units. If any doubt exists refer to a senior underwriter.
 - (8) Property where commercial usage exceeds 20%. The commercial element should not extend to light engineering, manufacturing, livestock, rearing or caring for domestic animals.
 - (9) Any property deemed unsuitable security by the valuer.
 - (10) Any property deemed in multiple occupation (HMO).
 - (11) Any property where there is on-going movement/monitoring is required.
 - (12) Ex-local authority flats or maisonettes.
 - (13) Mobile homes & houseboats.
 - (14) Grade I listed buildings.
 - (15) Property whose saleability may be adversely affected by local planning or by an unsatisfactory mining search.
- (d) Suitable buildings insurance should be in place at completion (remortgage) or at exchange (purchase) and will be a condition of the offer that the solicitor must address.

(iii) *Validation*

- (a) Mortgage Conduct - Twelve months satisfactory mortgage conduct may be required under certain circumstances.
- (b) Bank statements - Three months consecutive bank statements may be required to assess an applicant's financial status.
- (c) Employment - a minimum of 12 months employment history for all employed applicants.
- (d) Self-employment - Where accounts are required, two years accounting information should be inspected and income derived. An accountant's certificate may also be acceptable depending on loan size.
- (e) For all re-mortgages we must establish the amount of capital being raised and its purpose. We must also ensure that independent legal advice is sought.

(iv) *Lettings Requirements*

- (a) Rental cover - Rental cover is calculated on an interest-only basis at the pay-rate of the product selected.
- (b) Letting Criteria - The property may be let under a single Assured Shorthold Tenancy or a contractual tenancy.

- (c) Multiple lets are unacceptable.
- (v) *Porting*
 - (a) Six months is allowed from redemption of one loan to the completion of the new loan if the ERC is to be refunded.
 - (b) Porting and topping up - The new loan is taken on the same terms as the current loan with regards to the product available.
- (vi) *Loan Amount*
 - (a) Loans must be at least £25,001. Loans will not exceed £10,000,000 at any time during the life of the Loan.
 - (b) Minimum property value of £40,000 or £75,000 in London postcode districts.
 - (c) Must have been resident in UK for last twelve months.

Lending Criteria used in the origination of PFL Loans ("PFL Lending Criteria")

The following is a summary of the PFL Lending Criteria that were applied (subject to such deviation made in accordance with the standard of a prudent residential mortgage lender) in respect of the Loans originated by PFL (each a "PFL Loan") in the Series Portfolio.

- (i) *Security*
 - (a) Each Loan must be secured by a first legal mortgage over a Property in England, Wales, Scotland and Northern Ireland.
 - (b) The following types of building are unacceptable as security:
 - (1) Freehold flats (other than those formerly Feudal in Scotland) / maisonettes.
 - (2) Mobile homes.
 - (3) Houseboats.
 - (4) Prefabricated buildings and unrepaired PRC properties.
 - (5) Steel framed properties (except post 1987 construction with BBA or WIMLAS certification).
 - (6) Properties with an anticipated life span of less than 25 years beyond the end of the mortgage.
 - (7) Properties with agricultural restrictions, smallholdings or farms.
 - (8) Property listed as defective under the Housing Acts 1984 and 1985 (unless rebuilt to NHBC standards with appropriate guarantees.
 - (9) Property where a flying freehold exists affecting more than 15% of whole.
 - (10) Shared ownership properties.
 - (11) Properties whose construction includes high alumina cement.
 - (12) 100% timber constructed.
 - (13) Properties with commercial usage.
 - (14) Tenanted / multi occupied property.

- (15) Terraced properties purchased by vendor / developer within the last 6 months and subject to superficial refurbishment
- (16) Live / work units.
- (17) Properties converted for multi-occupation.

Each Property offered as security will have been valued by a qualified surveyor (ARICS, FRICS, FSVA, ASVA qualification) chosen from a panel of valuation firms approved by PFL. The Valuation must be submitted in standard format as agreed by PFL (this may be a packagers own form, but this must have been subject to prior approval by PFL). It must be completed using the panel professional opinion based upon the most recently published guidelines of the RICS and ISVA for the valuation of residential properties for mortgage purposes. It must always be addressed to PFL or contain an approved definition of the Lender.

- (c) On applications for owner occupied residential mortgages where the LTV <75% an automated valuation model can be used subject to PFL Lending Criteria.

(ii) *Loan Amount*

- (a) Conforming Loans (loans that do not normally have "adverse" credit and should pass the PFL credit score and affordability measure).
- (b) must be at least £25,001.
- (c) Non conforming loans (loans that would normally be of a more complex nature, could involve an element of "adverse" credit or those loans, which for reasons of increased risk, require a higher margin. They should pass the PFL affordability measure.) must be at least £10,000.
- (d) Loans (including Further Advances) will not exceed £1,000,000 at any time during the life of the Loan.

(iii) *Loan to Value*

For all loans LTV is calculated by expressing the advance, excluding fees, as a percentage of the valuation or purchase price, whichever is the lower. Exceptions to this may be made for example Right to Buy or sale at undervalue, where the LTV is calculated using the valuation rather than the purchase price.

The LTV of each Loan at the date of the initial advance and any further advance must be no more than 95 *per cent*.

(iv) *Term*

Each Loan must have an initial term of between 10 and 30 years.

(v) *Borrowers*

- (a) Borrowers must be natural persons, and have been at least 18 years of age prior to completion of the Loan. Applicants must be UK or EU nationals. Applications can be accepted for non UK / EU nationals provided they have been living and working in the UK for 12 months and they hold the permanent right to reside and work in the UK.
- (b) A maximum number of 4 Borrowers are allowed to be parties to a Loan.
- (c) The Borrower's credit and employment history will have been assessed with the aid of one or more of the following:
 - (1) Search supplied by credit reference agency
 - (2) Confirmation of voters roll entries or proof of residency

- (3) Reference from current employers
- (4) Accountant's certificate
- (5) Reference from current lenders
- (6) Reference from current landlords
- (7) CAIS information

(vi) **CCJ**

Any applicant where a judgement (CCJ) has been recorded during the last 6 years can be accepted on a conforming product providing:

- The application passes credit score.
- There are no more than 2 judgements for no more than £500 in total.
- The judgements have been satisfied at least 6 months prior to the application
- All other applicants where judgements have been recorded can be accepted on a non-conforming basis. At underwriters discretion an explanation of the adverse credit may be required from the applicant.

To prove satisfaction of CCJs we will require either:

- the credit search to show the date of satisfaction

OR

- the original or certified copy of the certificate of satisfaction

OR

- a letter from the company who registered the CCJ, confirming satisfaction

Non-Conforming

For product qualification the following CCJs will be disregarded

- CCJ's satisfied more than 6 months prior to application.
- CCJ's registered over 2 years ago satisfied or not.
- CCJ's for £100 or below, satisfied or not.

(vii) ***Bankrupt***

No advance will be made to an undischarged bankrupt. An advance can be made to a discharged bankrupt on a ***conforming*** product providing there were no convictions arising and they have been discharged for a minimum of 4 years prior to the date of the application. All other discharged bankrupts can be considered under the relevant product on a ***non-conforming*** basis. A Certificate of Discharge of Bankruptcy is required to check that the date of discharge is as declared on the application or this can be confirmed by the credit search if the discharge date is shown.

(viii) ***IVA***

- (a) Individual voluntary arrangements with creditors can be considered on a ***conforming*** product providing the IVA was completed over 4 years prior to the date of the application.

- (b) All other IVAs should be considered under the relevant product criteria on a **non-conforming** basis.
- (c) Current IVAs - a letter from the administrator of the arrangement stating that it is being satisfactorily conducted.
- (d) Completed IVAs - a letter from the administrator confirming the date of completion.

(ix) *Defaults*

- (a) Defaults will not be classed as adverse credit for product assessment and may be considered as **conforming**.
- (b) Recent defaults registered should be used as an indication of the borrowers current financial situation in the underwriting assessment and, subject to the underwriters discretion appropriate questions asked.

(x) *Possessions or Voluntary possessions*

These cases will only be considered on an individual basis on a **non-conforming** basis.

(xi) *Income*

The following forms of income may be taken into account when processing an application:

- Income from employment
- Income from trust funds
- Pension income
- 2nd and other jobs
- Investment income (by individual consideration)
- Rental Income (by individual consideration)
- Maintenance (Proven by bank statements OR copy court order OR solicitors confirmation)
- Working Tax Credit and Child Tax Credit

The maximum Loan will not exceed the higher of 5 times the assessed income of the primary borrower plus 1 times the assessed income of the secondary borrower, or 3.5 times the combined assessed incomes of the primary and secondary Borrowers.

The gross rental income in relation to any Buy to Let Loan must exceed 110% of the monthly mortgage calculated at the reversionary rate after any initial tracker/discount period.

(xii) *Solicitors*

PFL can use the applicants' solicitors where they are registered on the Britannia Building Society panel. If the applicants wish to use a solicitor who is not on the Britannia panel, PFL will instruct one of our panel solicitors to act for us at the applicants' expense. Alternatively the applicants can use one of our panel solicitors.

(xiii) *Further Advances*

Further Advances are governed by the same criteria as initial advances with the following additions:

- (a) at least six months must have elapsed since completion of the initial advance;

- (b) repayments on the Loan must be up-to-date; and
- (c) the Loan must have experienced arrears no greater than 1 month at any time in the previous 6 months

For all advances the last 6 monthly payments must have been made within the collection cycle period (due month). The following will not be acceptable:

- Rescheduling or capitalisation of arrears in the previous 24 months
- DSS payments currently being made on the account.

For BTL, the gross rental income in relation to any Buy to Let Loan must exceed 125% of the monthly mortgage calculated at the reversionary rate after any initial tracker/discout period.

(xiv) *Exceptions/Changes to the PFL Lending Criteria*

PFL may vary the PFL Lending Criteria from time to time..

Exceptions may be made on a case by case basis where the circumstances of the case are such that FL wish to proceed with the application. Where an exception is made it will be recorded clearly on the underwriting sheet and or the system. Exceptions can only be agreed where the current mandate shows exception authority.

Warranties in relation to the Series Portfolio

Details of the representations and warranties given by the Seller to the Series AssetCo in relation to the Series Portfolio are set out the Base Prospectus under "*Transaction Documents - Series Transaction Documents - Series Portfolio Purchase Agreement - Representations and Warranties*".

Interest rate setting for GMAC Loans

Under the Mortgage Conditions applicable to some of the GMAC Loans in the Series Portfolio the interest rate payable on those Loans is a variable rate set by the mortgage lender from time to time but, pursuant to the terms of the Series Portfolio Purchase Agreement, the Series AssetCo has undertaken with the Seller to set such variable rate at a specified margin or margins in excess of the Bank of England repo rate calculated daily from one Bank of England repo rate setting to the next. Accordingly, such GMAC Loans are treated for all purposes as being Tracker Rate Loans for the purposes of the Transaction Documents (instead of being treated as Variable Rate Loans).

Interest rate setting for KMC Loans

Under the Mortgage Conditions applicable to the KMC Loans in the Series Portfolio the reversionary interest rate payable on those Loans is a fixed margin over a variable LIBOR-linked rate set by KMC from time to time. The Seller will procure that the variable LIBOR-linked rates on such Loans bear a margin over LIBOR at least equivalent to the margin used as of the Cut-Off Date.

Interest rate setting for Edeus Loans

The reversionary interest rate payable on Edeus Loans in the Series Portfolio is a fixed margin over BBR. Such BBR is set by the Seller from time to time.

Interest rate setting for PFL Loans

The pool of PFL Loans consists of:

- (a) Mortgages which are LIBOR-linked mortgages where the applicable rate of interest for each mortgage loan (the "**Mortgage Rate**") is (currently or after a specific period) calculated by reference to LIBOR plus a fixed margin or margins expressed as a percentage over LIBOR (the "**LIBOR-Linked Mortgages**"), including:
 - (i) Mortgages where the Mortgage Rate is discounted for a specific period and reverts to the full Mortgage Rate, with the latest date of reversion being 1 April 2010;

- (ii) Mortgages have a fixed rate of interest for a specific period that reverts to the Mortgage Rate, with the latest date of reversion being 1 July 2010; and
- (iii) Mortgages which are linked to LIBOR for the life of the mortgage.

The Mortgage Rate payable under the LIBOR-Linked Mortgages is calculated as a specified margin, in excess of the three month London Interbank Offered Rate ("LIBOR") for deposits in sterling, quoted by or designated for the British Bankers Association as at 11.00 am on the 1st Business Day of March, June, September and December of each year.

- (b) Mortgages which have (currently or after a specific period) a variable interest rate (the "**Base Rate Mortgage Rate**") that is based on the Bank of England's base rate (the "**Base Rate**") plus, for each mortgage, a fixed margin expressed as a percentage over Base Rate, including:
 - (i) Mortgages where the Base Rate Mortgage Rate is discounted for a specific period and reverts to the full Base Rate Mortgage Rate, with the latest date of reversion being 1 April 2010;
 - (ii) Mortgages have a fixed rate of interest for a specific period that reverts to the Base Rate Mortgage Rate, with the latest date of reversion being 1 March 2012; and
 - (iii) Mortgages which are linked to Base Rate for the life of the mortgage.

SERIES PORTFOLIO SELECT SUMMARY DATA

The tables in this section give further provisional information about the Series Portfolio at 30 November 2008 (the "**Provisional Pool Date**"). In those tables all percentages have been taken to either one or two decimal places (as indicated), the "**Current Balance**" includes all sums owing by a Borrower under a Loan including:

- (a) the outstanding principal balance,
- (b) all arrears of interest which have become due and payable but which remained unpaid, and
- (c) all fees and expenses which have been added to the Borrower's account,

and "**Non-Status History**" means Borrowers who have been or are subject to one or more CCJs, bankruptcy orders and/or IVAs. There has been no revaluation of any of the Properties for the purposes of the issue of the Notes and the details of valuations of the Properties indicated below are as at the date of the original initial Loan origination.

Part A: Series Portfolio

Summary table of Series Portfolio

Aggregate current balance:.....	£417,757,250
Number of borrowers:.....	2,688
Number of loans:.....	2,861
Average loan size:.....	£146,018
Largest principal balance:.....	£1,998,361
Repayment loans:.....	17.51%
Interest-only loans:.....	82.49%
Part interest/repayment loans:.....	0.00%
Right-to-buy loans:.....	1.98%
Weighted average current interest rate:.....	6.05%
Weighted average stabilised margin (over relevant index):.....	2.31%
Weighted average original LTV:.....	83.83%
Weighted average current LTV:.....	84.26%
Weighted average current indexed LTV*:.....	99.82%
Weighted average seasoning (months):.....	18.92
Remortgage:.....	39.95%
Investment Home Loan:.....	32.96%
Owner occupied:.....	67.04%
Self certified:.....	45.22%
Borrowers with bankruptcy orders:.....	0.70%
Borrowers with CCJs:.....	7.63%
Borrowers with IVAs:.....	0.64%
First charge:.....	100.00%
Second charge:.....	0.00%
Weighted average remaining term to maturity (months):.....	246.55

*Indexed to Halifax Monthly House Price Index

Distribution of Loans by Origination Value LTV

Distribution of Loans by Origination Value LTV	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
<= 24.9%.....	19	0.66	937,381	0.22
25.0% - 49.9%	86	3.01	7,105,208	1.70
50.0% - 54.9%	29	1.01	2,968,135	0.71
55.0% - 59.9%	37	1.29	4,414,323	1.06
60.0% - 64.9%	75	2.62	8,799,624	2.11
65.0% - 69.9%	93	3.25	12,664,040	3.03
70.0% - 74.9%	118	4.12	23,593,195	5.65
75.0% - 79.9%	186	6.50	31,542,494	7.55
80.0% - 84.9%	396	13.84	63,261,486	15.14
85.0% - 89.9%	830	29.01	122,875,328	29.41
90.0% - 94.9%	787	27.51	110,965,886	26.56
95.0% - 99.9%	193	6.75	26,499,937	6.34
>= 100%.....	12	0.42	2,130,213	0.51
Total	2,861	100.00	417,757,250	100.00

Min: 2.33%
 Max: 146.08%
 WA: 83.83%

Distribution of Loans by Current LTV

Distribution of Loans by Current LTV	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
<= 24.9%.....	27	0.94	1,180,088	0.28
25.0% - 49.9%	88	3.08	7,266,488	1.74
50.0% - 54.9%	28	0.98	2,822,242	0.68
55.0% - 59.9%	42	1.47	5,113,603	1.22
60.0% - 64.9%	75	2.62	7,872,021	1.88
65.0% - 69.9%	92	3.22	13,733,277	3.29
70.0% - 74.9%	125	4.37	24,589,681	5.89
75.0% - 79.9%	175	6.12	30,434,127	7.29
80.0% - 84.9%	351	12.27	55,225,342	13.22
85.0% - 89.9%	740	25.87	113,193,559	27.10
90.0% - 94.9%	877	30.65	123,229,162	29.50
95.0% - 99.9%	228	7.97	30,916,313	7.40
>= 100%.....	13	0.45	2,181,347	0.52
Total	2,861	100.00	417,757,250	100.00

Min: 0%
 Max: 132.23%
 WA: 84.26%

Distribution of Loans by Current Indexed LTV

Distribution of Loans by Current Indexed LTV	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
<= 24.9%.....	18	0.63%	577,336.98	0.14%
25.0% - 49.9%	64	2.24%	4,659,857.79	1.12%
50.0% - 54.9%	19	0.66%	1,445,524.45	0.35%
55.0% - 59.9%	22	0.77%	2,441,251.35	0.58%
60.0% - 64.9%	29	1.01%	2,859,043.43	0.68%
65.0% - 69.9%	34	1.19%	3,660,148.36	0.88%
70.0% - 74.9%	68	2.38%	7,714,677.86	1.85%
75.0% - 79.9%	65	2.27%	6,825,188.86	1.63%
80.0% - 84.9%	91	3.18%	16,458,817.61	3.94%
85.0% - 89.9%	132	4.61%	23,325,352.87	5.58%
90.0% - 94.9%	187	6.54%	31,421,614.90	7.52%
95.0% - 99.9%	373	13.04%	58,918,160.59	14.10%
100.0% - 104.99%	583	20.38%	93,201,280.69	22.31%
105.0% - 109.99%	539	18.84%	76,690,481.24	18.36%
110.0% - 114.99%	478	16.71%	66,354,810.73	15.88%

Distribution of Loans by Current Indexed LTV	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
115.0% - 119.99%	140	4.89%	18,063,667.80	4.32%
120.0% - 124.99%	14	0.49%	1,897,802.05	0.45%
125.0% - 129.99%	2	0.07%	704,807.97	0.17%
130.0% - 134.99%	-	0.00%	-	0.00%
135.0% - 139.99%	-	0.00%	-	0.00%
140.0% - 144.99%	-	0.00%	-	0.00%
145.0% - 149.99%	1	0.03%	212,907.97	0.05%
150.0% - 154.99%	1	0.03%	189,640.97	0.05%
155.0% - 170.0%	1	0.03%	134,875.62	0.03%
Total	2,861	100.00	417,757,250.09	100.00

Min: 0.00%
Max: 161.78%
WA: 99.82%

Distribution of Loans by Current Balance

Distribution of Loans by Current Balance	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
<= 24,999	11	0.38	122,823	0.03
25,000 - 49,999	67	2.34	2,784,505	0.67
50,000 - 74,999	349	12.20	22,331,424	5.35
75,000 - 99,999	537	18.77	47,032,117	11.26
100,000 - 124,999	541	18.91	60,740,001	14.54
125,000 - 149,999	388	13.56	52,672,805	12.61
150,000 - 174,999	294	10.28	47,657,288	11.41
175,000 - 199,999	199	6.96	37,278,803	8.92
200,000 - 224,999	136	4.75	28,637,877	6.86
225,000 - 249,999	83	2.90	19,562,661	4.68
250,000 - 274,999	63	2.20	16,473,202	3.94
275,000 - 299,999	39	1.36	11,150,134	2.67
300,000 - 349,999	49	1.71	15,816,962	3.79
350,000 - 399,999	32	1.12	11,918,219	2.85
400,000 - 449,999	22	0.77	9,276,087	2.22
>= 450,000	51	1.78	34,302,343	8.21
Total	2,861	100.00	417,757,250	100.00

Max: £1,998,361
Avg: £146,018

Distribution of Loans by Current Interest Rate

Distribution of Loans by Current Interest Rate	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
4.25 - 4.49%	1	0.03	137,303	0.03
4.50 - 4.74%	1	0.03	133,443	0.03
4.75 - 4.99%	111	3.88	15,839,231	3.79
5.00 - 5.24%	299	10.45	42,861,719	10.26
5.25 - 5.49%	343	11.99	59,306,003	14.20
5.50 - 5.74%	330	11.53	52,022,649	12.45
5.75 - 5.99%	408	14.26	62,342,486	14.92
6.00 - 6.24%	284	9.93	41,686,611	9.98
6.25 - 6.49%	308	10.77	41,926,243	10.04
6.50 - 6.74%	224	7.83	28,381,212	6.79
6.75 - 6.99%	243	8.49	31,926,933	7.64
7.00 - 7.24%	115	4.02	14,860,729	3.56
7.25 - 7.49%	56	1.96	7,982,269	1.91
7.50 - 7.74%	34	1.19	4,679,457	1.12
7.75 - 7.99%	33	1.15	4,739,674	1.13
8.00 - 8.24%	31	1.08	3,743,998	0.90
8.25 - 8.49%	9	0.31	1,345,585	0.32
8.50 - 8.74%	14	0.49	2,059,989	0.49
8.75 - 8.99%	4	0.14	543,873	0.13

Distribution of Loans by Current Interest Rate	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
9.00 - 9.24%.....	4	0.14	402,343	0.10
9.25 - 9.49%.....	5	0.17	436,749	0.10
9.75 - 9.99%.....	2	0.07	190,459	0.05
>= 10.00%.....	2	0.07	208,292	0.05
Total	2,861	100.00	417,757,250	100.00

Min: 4.49%
Max: 10.95%
WA: 6.05%

Distribution of Loans by Stabilised Margin (over relevant index)

Distribution of Loans by Stabilised Margin (over relevant index)	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
0.00 - 0.24%.....	3	0.10	55,822	0.01
0.25 - 0.49%.....	4	0.14	446,649	0.11
0.75 - 0.99%.....	2	0.07	313,274	0.07
1.00 - 1.24%.....	11	0.38	4,724,568	1.13
1.25 - 1.49%.....	64	2.24	8,074,222	1.93
1.50 - 1.74%.....	60	2.10	7,354,160	1.76
1.75 - 1.99%.....	665	23.24	108,992,665	26.09
2.00 - 2.24%.....	924	32.30	127,409,587	30.50
2.25 - 2.49%.....	324	11.32	45,890,936	10.99
2.50 - 2.74%.....	265	9.26	40,004,404	9.58
2.75 - 2.99%.....	175	6.12	26,079,605	6.24
3.00 - 3.24%.....	137	4.79	17,126,334	4.10
3.25 - 3.49%.....	55	1.92	6,373,852	1.53
3.50 - 3.74%.....	52	1.82	7,796,037	1.87
3.75 - 3.99%.....	62	2.17	8,716,842	2.09
4.00 - 4.24%.....	19	0.66	2,847,184	0.68
4.25 - 4.49%.....	5	0.17	961,424	0.23
4.50 - 4.74%.....	9	0.31	1,193,058	0.29
4.75 - 4.99%.....	14	0.49	2,193,064	0.52
5.25 - 5.49%.....	1	0.03	83,057	0.02
5.50 - 5.74%.....	2	0.07	166,540	0.04
5.75 - 5.99%.....	4	0.14	501,707	0.12
6.00 - 6.24%.....	4	0.14	452,261	0.11
Total	2,861	100.00	417,757,250	100.00

Min: 0.00%
Max: 6.20%
WA: 2.31%

Distribution of Loans by Current Interest Rate Type

Distribution of Loans by Current Interest Rate Type	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
Discounted.....	1,051	36.74	168,549,400	40.35
Fixed.....	1,566	54.74	214,402,091	51.32
Tracker.....	244	8.53	34,805,759	8.33
Total	2,861	100.00	417,757,250	100.00

Distribution of Loans by Method of Amortisation

Distribution of Loans by Method of Amortisation	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
Amortising.....	697	24.36	73,165,331	17.51

Distribution of Loans by Method of Amortisation	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
Non-Amortising.....	2,164	75.64	344,591,919	82.49
Total	2,861	100.00	417,757,250	100.00

Distribution of Loans by Income Verification

Distribution of Loans by Income Verification	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
Non self certified.....	1,717	60.01	228,846,611	54.78
Self certified.....	1,144	39.99	188,910,639	45.22
Total	2,861	100.00	417,757,250	100.00

Distribution of Loans by Loan Purpose

Distribution of Loans by Loan Purpose	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
Purchase.....	1,784	62.36	250,858,314	60.05
Remortgage.....	1,077	37.64	166,898,936	39.95
Total	2,861	100.00	417,757,250	100.00

Distribution of Loans by Priority

Distribution of Loans by Priority	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
First charge.....	2,861	100.00	417,757,250	100.00
Total	2,861	100.00	417,757,250	100.00

Distribution of Loans by Region

Distribution of Loans by Region	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
East Anglia.....	80	2.80	10,009,516	2.40
East Midlands.....	201	7.03	24,155,304	5.78
Greater London.....	414	14.47	101,338,888	24.26
North.....	219	7.65	24,441,358	5.85
North West.....	455	15.90	51,442,201	12.31
Northern Ireland.....	68	2.38	11,444,987	2.74
Outer London.....	197	6.89	38,562,856	9.23
Scotland.....	131	4.58	13,809,869	3.31
South East.....	272	9.51	44,669,518	10.69
South West.....	133	4.65	20,966,582	5.02
Wales.....	129	4.51	14,137,359	3.38
West Midlands.....	269	9.40	32,685,268	7.82
Yorkshire and Humberside.....	293	10.24	30,093,544	7.20
Total	2,861	100.00	417,757,250	100.00

Distribution of Loans by Property Type

Distribution of Loans by Property Type	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
Bungalow.....	27	0.94	4,147,432	0.99
Detached.....	246	8.60	64,755,437	15.50
Flat.....	692	24.19	100,229,612	23.99
Maisonette.....	82	2.87	16,659,802	3.99
Semi-Bungalow.....	22	0.77	2,845,835	0.68

Distribution of Loans by Property Type	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
Semi-Detached.....	221	7.72	29,488,003	7.06
Semi-House.....	435	15.20	60,688,224	14.53
Terraced.....	1,136	39.71	138,942,905	33.26
Total	2,861	100.00	417,757,250	100.00

Distribution of Loans by Occupancy Type

Distribution of Loans by Occupancy Type	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
Investment Home.....	976	34.11	137,699,386	32.96
Owner Occupied.....	1,885	65.89	280,057,864	67.04
Total	2,861	100.00	417,757,250	100.00

Distribution of Loans by Number of Months in Arrears

Distribution of Loans by Number of Months in Arrears	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
<= 0.000.....	2,310	80.74	335,354,968	80.28
0.001 - 1.000.....	353	12.34	53,418,121	12.79
1.001 - 1.999.....	198	6.92	28,984,161	6.94
Total	2,861	100.00	417,757,250	100.00

Sum of current principal balances of loans in arrears:.....	82,402,282
Number of loans in arrears as a percentage of the balance of the Series Portfolio:.....	19.26%
Average current balance of loans in arrears:.....	149,550
Weighted average LTV of loans in arrears:.....	85.16%
Largest current balance of the loans in arrears:.....	1,989,198

Distribution of Borrowers with County Court Judgements

Distribution of Borrowers with County Court Judgements	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
0.000 - 0.999.....	2,607	91.12	385,893,670	92.37
1.000 - 1.999.....	180	6.29	23,317,179	5.58
2.000 - 2.999.....	53	1.85	5,345,654	1.28
>= 3.000.....	21	0.73	3,200,748	0.77
Total	2,861	100.00	417,757,250	100.00

Distribution of Loans by Bankruptcy Orders and Individual Voluntary Arrangements

Distribution of Loans by Bankruptcy Orders and Individual Voluntary Arrangements	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
N.....	2,821	98.60	413,595,881	99.00
Y.....	40	1.40	4,161,369	1.00
Total	2,861	100.00	417,757,250	100.00

Distribution of Loans by Seasoning

Distribution of Loans by Seasoning (months)	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
0.00 - 5.99.....	1	0.03	15,825	0.00
6.00 - 11.99.....	4	0.14	234,067	0.06
12.00 - 12.99.....	1	0.03	70,122	0.02

Distribution of Loans by Seasoning (months)	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
14.00 - 14.99	1	0.03	182,692	0.04
15.00 - 15.99	499	17.44	71,521,861	17.12
16.00 - 16.99	238	8.32	37,382,236	8.95
17.00 - 17.99	362	12.65	56,617,828	13.55
18.00 - 18.99	773	27.02	125,202,758	29.97
19.00 - 19.99	43	1.50	7,794,266	1.87
20.00 - 20.99	278	9.72	34,644,253	8.29
21.00 - 21.99	271	9.47	34,088,246	8.16
22.00 - 22.99	245	8.56	31,159,269	7.46
23.00 - 23.99	29	1.01	3,675,231	0.88
24.00 - 29.99	58	2.03	7,450,825	1.78
30.00 - 35.99	34	1.19	4,744,422	1.14
36.00 - 41.99	13	0.45	2,002,200	0.48
42.00 - 47.99	4	0.14	440,261	0.11
>= 48.00	7	0.24	530,888	0.13
Total	2,861	100.00	417,757,250	100.00

Min: 1.71 months
Max: 106.35 months
WA: 18.92 months

Distribution of Loans by Remaining Maturity

Distribution of Loans by Remaining Maturity (Months)	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
30.00 - 59.99	10	0.35	2,140,312	0.51
60.00 - 89.99	31	1.08	5,187,132	1.24
90.00 - 119.99	116	4.05	22,154,172	5.30
120.00 - 149.99	66	2.31	9,639,366	2.31
150.00 - 179.99	182	6.36	28,666,126	6.86
180.00 - 209.99	95	3.32	16,130,461	3.86
210.00 - 239.99	502	17.55	76,249,989	18.25
240.00 - 269.99	173	6.05	22,380,355	5.36
270.00 - 299.99	1,373	47.99	199,122,152	47.66
300.00 - 329.99	17	0.59	2,046,395	0.49
330.00 - 359.99	281	9.82	31,952,984	7.65
360.00 - 389.99	1	0.03	366,369	0.09
390.00 - 419.99	7	0.24	764,655	0.18
420.00 - 449.99	3	0.10	423,057	0.10
450.00 - 479.99	4	0.14	533,725	0.13
Total	2,861	100.00	417,757,250	100.00

Min: 41.30 months
Max: 461.96 months
WA: 246.55 months

Distribution of Loans by Remaining Term to Reversion

Distribution of Loans by Remaining Term to Reversion (months)	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
0.00 - 2.99	472	16.50	69,297,246	16.59
3.00 - 5.99	603	21.08	95,258,821	22.80
6.00 - 8.99	898	31.39	133,968,393	32.07
9.00 - 11.99	172	6.01	27,726,710	6.64
12.00 - 14.99	254	8.88	29,169,304	6.98
15.00 - 17.99	289	10.10	38,243,103	9.15
18.00 - 20.99	137	4.79	19,808,736	4.74
21.00 - 23.99	4	0.14	917,166	0.22
33.00 - 35.99	7	0.24	652,824	0.16

Distribution of Loans by Remaining Term to Reversion (months)	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
36.00 - 38.99	25	0.87	2,714,947	0.65
Total	2,861	100.00	417,757,250	100.00

Min: 0.00 months

Max: 39.00 months

WA: 8.18 months

Part B: GMAC Loans Portfolio

Summary table of GMAC Loans Portfolio

Aggregate current balance	£166,588,110
Number of borrowers	1,092
Number of loans	1,137
Average loan size	£146,515
Largest principal balance	£574,062
Repayment loans	18.96%
Interest-only loans	81.04%
Part interest/repayment loans	0.00%
Right-to-buy loans	0.04%
Weighted average current interest rate	6.43%
Weighted average stabilised margin (over relevant index)	2.54%
Weighted average original LTV	84.90%
Weighted average current LTV	85.76%
Weighted average current indexed LTV*	103.56%
Weighted average seasoning (months)	17.33
Remortgage	36.64%
Investment Home Loan	23.65%
Owner occupied	76.35%
Self certified	38.71%
Borrowers with bankruptcy orders	0.00%
Borrowers with CCJs	7.91%
Borrowers with IVAs	0.00%
First charge	100.00%
Second charge	0.00%
Weighted average remaining term to maturity (months)	257.89

*Indexed to Halifax Monthly House Price Index

Distribution of Loans by Origination Value LTV

Distribution of Loans by Origination Value LTV	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
<= 24.9%	7	0.62	345,342	0.21
25.0% - 49.9%	30	2.64	1,864,680	1.12
50.0% - 54.9%	10	0.88	919,935	0.55
55.0% - 59.9%	11	0.97	2,046,667	1.23
60.0% - 64.9%	26	2.29	2,893,255	1.74
65.0% - 69.9%	29	2.55	3,889,800	2.33
70.0% - 74.9%	41	3.61	7,916,267	4.75
75.0% - 79.9%	62	5.45	10,073,784	6.05
80.0% - 84.9%	141	12.40	23,672,117	14.21
85.0% - 89.9%	385	33.86	56,758,425	34.07
90.0% - 94.9%	294	25.86	42,289,924	25.39
95.0% - 99.9%	100	8.80	13,821,069	8.30

Distribution of Loans by Origination Value LTV	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
>= 100%.....	1	0.09	96,845	0.06
Total	1,137	100.00	166,588,110	100.00

Min: 6.47%
Max: 106.56%
WA: 84.90%

Distribution of Loans by Current LTV

Distribution of Loans by Current LTV	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
<= 24.9%.....	9	0.79	370,674	0.22
25.0% - 49.9%	31	2.73	1,920,732	1.15
50.0% - 54.9%	10	0.88	947,993	0.57
55.0% - 59.9%	13	1.14	2,132,772	1.28
60.0% - 64.9%	22	1.93	2,702,701	1.62
65.0% - 69.9%	28	2.46	4,101,073	2.46
70.0% - 74.9%	42	3.69	8,491,605	5.10
75.0% - 79.9%	60	5.28	9,613,115	5.77
80.0% - 84.9%	110	9.67	18,353,230	11.02
85.0% - 89.9%	296	26.03	45,202,880	27.13
90.0% - 94.9%	370	32.54	53,268,659	31.98
95.0% - 99.9%	142	12.49	19,040,626	11.43
>= 100%.....	4	0.35	442,051	0.27
Total	1,137	100.00	166,588,110	100.00

Min: 0.45%
Max: 101.42%
WA: 85.76%

Distribution of Loans by Current Indexed LTV

Distribution of Loans by Current Indexed LTV	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
<= 24.9%.....	6	0.53%	130,114.60	0.08%
25.0% - 49.9%	29	2.55%	1,742,644.97	1.05%
50.0% - 54.9%	5	0.44%	398,148.10	0.24%
55.0% - 59.9%	4	0.35%	317,513.80	0.19%
60.0% - 64.9%	10	0.88%	994,587.11	0.60%
65.0% - 69.9%	5	0.44%	757,696.66	0.45%
70.0% - 74.9%	18	1.58%	2,737,625.55	1.64%
75.0% - 79.9%	15	1.32%	1,604,731.40	0.96%
80.0% - 84.9%	30	2.64%	5,527,663.91	3.32%
85.0% - 89.9%	40	3.52%	6,372,620.87	3.83%
90.0% - 94.9%	55	4.84%	9,398,089.00	5.64%
95.0% - 99.9%	83	7.30%	14,040,364.09	8.43%
100.0% - 104.99%	154	13.54%	24,220,776.90	14.54%
105.0% - 109.99%	227	19.96%	33,867,152.97	20.33%
110.0% - 114.99%	317	27.88%	46,387,745.97	27.85%
115.0% - 119.99%	128	11.26%	16,614,089.32	9.97%
120.0% - 124.99%	11	0.97%	1,476,545.08	0.89%
125.0% - 129.99%	-	0.00%	-	0.00%
130.0% - 134.99%	-	0.00%	-	0.00%
135.0% - 139.99%	-	0.00%	-	0.00%
140.0% - 144.99%	-	0.00%	-	0.00%
145.0% - 149.99%	-	0.00%	-	0.00%
150.0% - 154.99%	-	0.00%	-	0.00%
155.0% - 170.0%	-	0.00%	-	0.00%
Total	1,137	100.00	166,588,110.30	100.00

Min: 0.53%

Max: 121.48%
 WA: 103.56%

Distribution of Loans by Current Balance

Distribution of Loans by Current Balance	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
<= 24,999.....	4	0.35	73,327	0.04
25,000 - 49,999.....	21	1.85	791,025	0.47
50,000 - 74,999.....	79	6.95	5,132,602	3.08
75,000 - 99,999.....	219	19.26	19,326,789	11.60
100,000 - 124,999.....	236	20.76	26,501,251	15.91
125,000 - 149,999.....	166	14.60	22,473,259	13.49
150,000 - 174,999.....	121	10.64	19,707,036	11.83
175,000 - 199,999.....	99	8.71	18,551,592	11.14
200,000 - 224,999.....	60	5.28	12,627,509	7.58
225,000 - 249,999.....	37	3.25	8,688,196	5.22
250,000 - 274,999.....	31	2.73	8,160,227	4.90
275,000 - 299,999.....	16	1.41	4,594,561	2.76
300,000 - 349,999.....	13	1.14	4,209,483	2.53
350,000 - 399,999.....	10	0.88	3,773,788	2.27
400,000 - 449,999.....	9	0.79	3,749,209	2.25
>= 450,000.....	16	1.41	8,228,256	4.94
Total	1,137	100.00	166,588,110	100.00

Max: £574,062
 Avg: £146,515

Distribution of Loans by Current Interest Rate

Distribution of Loans by Current Interest Rate	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
4.25 - 4.49%.....	1	0.09	137,303	0.08
4.50 - 4.74%.....	1	0.09	133,443	0.08
5.00 - 5.24%.....	4	0.35	584,172	0.35
5.25 - 5.49%.....	8	0.70	1,493,248	0.90
5.50 - 5.74%.....	170	14.95	25,437,972	15.27
5.75 - 5.99%.....	189	16.62	29,691,702	17.82
6.00 - 6.24%.....	97	8.53	15,671,796	9.41
6.25 - 6.49%.....	191	16.80	28,151,411	16.90
6.50 - 6.74%.....	135	11.87	18,191,696	10.92
6.75 - 6.99%.....	161	14.16	21,668,929	13.01
7.00 - 7.24%.....	64	5.63	8,944,006	5.37
7.25 - 7.49%.....	27	2.37	4,289,317	2.57
7.50 - 7.74%.....	15	1.32	1,990,231	1.19
7.75 - 7.99%.....	23	2.02	3,596,699	2.16
8.00 - 8.24%.....	20	1.76	2,361,998	1.42
8.25 - 8.49%.....	5	0.44	833,536	0.50
8.50 - 8.74%.....	11	0.97	1,737,150	1.04
8.75 - 8.99%.....	4	0.35	543,873	0.33
9.00 - 9.24%.....	3	0.26	329,557	0.20
9.25 - 9.49%.....	5	0.44	436,749	0.26
9.75 - 9.99%.....	1	0.09	155,028	0.09
>= 10.00%.....	2	0.18	208,292	0.13
Total	1,137	100.00	166,588,110	100.00

Min: 4.49%
 Max: 10.95%
 WA: 6.43%

Distribution of Loans by Stabilised Margin (over relevant index)

Distribution of Loans by Stabilised Margin (over relevant index)	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
0.75 - 0.99%.....	1	0.09	140,045	0.08
1.25 - 1.49%.....	1	0.09	137,303	0.08
1.75 - 1.99%.....	10	0.88	1,434,573	0.86
2.00 - 2.24%.....	542	47.67	76,389,695	45.86
2.25 - 2.49%.....	177	15.57	30,123,438	18.08
2.50 - 2.74%.....	87	7.65	11,422,172	6.86
2.75 - 2.99%.....	93	8.18	15,625,649	9.38
3.00 - 3.24%.....	113	9.94	14,693,098	8.82
3.25 - 3.49%.....	21	1.85	3,367,817	2.02
3.50 - 3.74%.....	32	2.81	4,664,752	2.80
3.75 - 3.99%.....	15	1.32	1,920,445	1.15
4.00 - 4.24%.....	7	0.62	1,291,071	0.78
4.25 - 4.49%.....	4	0.35	788,364	0.47
4.50 - 4.74%.....	9	0.79	1,193,058	0.72
4.75 - 4.99%.....	14	1.23	2,193,064	1.32
5.25 - 5.49%.....	1	0.09	83,057	0.05
5.50 - 5.74%.....	2	0.18	166,540	0.10
5.75 - 5.99%.....	4	0.35	501,707	0.30
6.00 - 6.24%.....	4	0.35	452,261	0.27
Total	1,137	100.00	166,588,110	100.00

Min: 0.99%

Max: 6.20%

WA: 2.54%

Distribution of Loans by Current Interest Rate Type

Distribution of Loans by Current Interest Rate Type	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
Discounted.....	40	3.52	6,771,271	4.06
Fixed.....	1,041	91.56	152,991,853	91.84
Tracker.....	56	4.93	6,824,987	4.10
Total	1,137	100.00	166,588,110	100.00

Distribution of Loans by Method of Amortisation

Distribution of Loans by Method of Amortisation	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
Amortising.....	294	25.86	31,584,693	18.96
Non-Amortising.....	843	74.14	135,003,418	81.04
Total	1,137	100.00	166,588,110	100.00

Distribution of Loans by Income Verification

Distribution of Loans by Income Verification	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
Non self certified.....	757	66.58	102,093,733	61.29
Self certified.....	380	33.42	64,494,377	38.71
Total	1,137	100.00	166,588,110	100.00

Distribution of Loans by Loan Purpose

Distribution of Loans by Loan Purpose	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
Purchase	740	65.08	105,542,652	63.36
Remortgage.....	397	34.92	61,045,459	36.64
Total	1,137	100.00	166,588,110	100.00

Distribution of Loans by Priority

Distribution of Loans by Priority	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
First charge	1,137	100.00	166,588,110	100.00
Total	1,137	100.00	166,588,110	100.00

Distribution of Loans by Region

Distribution of Loans by Region	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
East Anglia.....	27	2.37	3,446,359	2.07
East Midlands	94	8.27	12,146,696	7.29
Greater London.....	147	12.93	31,964,639	19.19
North	78	6.86	10,610,530	6.37
North West.....	182	16.01	21,644,683	12.99
Outer London.....	79	6.95	15,966,309	9.58
Scotland	10	0.88	1,164,065	0.70
South East	133	11.70	22,880,675	13.73
South West.....	54	4.75	7,977,718	4.79
Wales	62	5.45	7,049,012	4.23
West Midlands	144	12.66	17,987,960	10.80
Yorkshire and Humberside.....	127	11.17	13,749,465	8.25
Total	1,137	100.00	166,588,110	100.00

Distribution of Loans by Property Type

Distribution of Loans by Property Type	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
Detached	97	8.53	24,943,421	14.97
Flat	293	25.77	42,783,478	25.68
Maisonette.....	36	3.17	5,952,840	3.57
Semi-Bungalow	11	0.97	1,325,943	0.80
Semi-Detached.....	88	7.74	11,367,191	6.82
Semi-House.....	199	17.50	29,204,856	17.53
Terraced	413	36.32	51,010,381	30.62
Total	1,137	100.00	166,588,110	100.00

Distribution of Loans by Occupancy Type

Distribution of Loans by Occupancy Type	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
Investment Home.....	272	23.92	39,393,206	23.65
Owner Occupied	865	76.08	127,194,904	76.35
Total	1,137	100.00	166,588,110	100.00

Distribution of Loans by Number of Months in Arrears

Distribution of Loans by Number of Months in Arrears	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
<= 0.000	821	72.21	119,299,027	71.61
0.001 - 1.000	185	16.27	27,580,335	16.56
1.001 - 1.999	131	11.52	19,708,748	11.83
Total	1,137	100.00	166,588,110	100.00

Sum of current principal balances of loans in arrears	47,289,083
Number of loans in arrears as a percentage of the balance of the Series Portfolio	27.79%
Average current balance of loans in arrears	149,649
Weighted average LTV of loans in arrears	86.89%
Largest current balance of the loans in arrears	509,238

Distribution of Borrowers with County Court Judgements

Distribution of Borrowers with County Court Judgements	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
0.000 - 0.999	1,029	90.50	153,414,615	92.09
1.000 - 1.999	72	6.33	9,092,423	5.46
2.000 - 2.999	26	2.29	2,858,375	1.72
>= 3.000	10	0.88	1,222,696	0.73
Total	1,137	100.00	166,588,110	100.00

Distribution of Loans by Bankruptcy Orders and Individual Voluntary Arrangements

Distribution of Loans by Bankruptcy Orders and Individual Voluntary Arrangements	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
N	1,137	100.00	166,588,110	100.00
Total	1,137	100.00	166,588,110	100.00

Distribution of Loans by Seasoning

Distribution of Loans by Seasoning (months)	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
6.00 - 11.99	2	0.18	194,069	0.12
12.00 - 12.99	1	0.09	70,122	0.04
14.00 - 14.99	1	0.09	182,692	0.11
15.00 - 15.99	499	43.89	71,521,861	42.93
16.00 - 16.99	236	20.76	36,981,628	22.20
17.00 - 17.99	153	13.46	23,911,923	14.35
18.00 - 18.99	83	7.30	11,101,922	6.66
19.00 - 19.99	25	2.20	3,760,693	2.26
20.00 - 20.99	36	3.17	5,387,097	3.23
21.00 - 21.99	17	1.50	2,706,609	1.62
22.00 - 22.99	18	1.58	2,915,163	1.75
23.00 - 23.99	18	1.58	2,281,071	1.37
24.00 - 29.99	29	2.55	3,463,341	2.08
30.00 - 35.99	11	0.97	1,426,667	0.86
36.00 - 41.99	1	0.09	152,366	0.09
>= 48.00	7	0.62	530,888	0.32
Total	1,137	100.00	166,588,110	100.00

Min: 9.30 months
 Max: 106.35 months
 WA: 17.33 months

Distribution of Loans by Remaining Maturity

Distribution of Loans by Remaining Maturity (months)	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
30.00 - 59.99	3	0.26	570,848	0.34
60.00 - 89.99	6	0.53	1,080,249	0.65
90.00 - 119.99	32	2.81	5,542,405	3.33
120.00 - 149.99	29	2.55	4,236,260	2.54
150.00 - 179.99	53	4.66	8,445,990	5.07
180.00 - 209.99	31	2.73	4,918,338	2.95
210.00 - 239.99	172	15.13	26,722,155	16.04
240.00 - 269.99	64	5.63	8,926,619	5.36
270.00 - 299.99	584	51.36	87,343,197	52.43
300.00 - 329.99	7	0.62	1,071,736	0.64
330.00 - 359.99	156	13.72	17,730,313	10.64
Total	1,137	100.00	166,588,110	100.00

Min: 44.45 months

Max: 344.54 months

WA: 257.89 months

Distribution of Loans by Remaining Term to Reversion

Distribution of Loans by Remaining Term to Reversion (months)	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
0.00 - 2.99	104	9.15	14,057,251	8.44
3.00 - 5.99	110	9.67	15,749,194	9.45
6.00 - 8.99	715	62.88	104,452,644	62.70
9.00 - 11.99	110	9.67	17,213,858	10.33
12.00 - 14.99	11	0.97	1,963,207	1.18
15.00 - 17.99	14	1.23	1,950,589	1.17
18.00 - 20.99	69	6.07	10,284,199	6.17
21.00 - 23.99	4	0.35	917,166	0.55
Total	1,137	100.00	166,588,110	100.00

Min: 0.00 months

Max: 22.01 months

WA: 7.86 months

Part C: KMC and MPL Loans Portfolio

Summary table of KMC and MPL Loans Portfolio

Aggregate current balance:.....	£16,496,707
Number of borrowers:.....	195
Number of loans:.....	195
Average loan size:.....	£84,598
Largest principal balance:.....	£291,966
Repayment loans:.....	49.18%
Interest-only loans:.....	50.82%
Part interest/repayment loans:.....	0.00%
Right-to-buy loans:.....	49.87%
Weighted average current interest rate:.....	6.52%
Weighted average stabilised margin (over relevant index):.....	2.71%
Weighted average original LTV:.....	76.99%
Weighted average current LTV:.....	76.61%
Weighted average current Indexed LTV*:.....	87.60%
Weighted average seasoning (months):.....	21.18
Remortgage:.....	46.57%
Investment Home Loan:.....	0.51%
Owner occupied:.....	99.49%
Self certified:.....	62.74%
Borrowers with bankruptcy orders:.....	9.08%
Borrowers with CCJs:.....	25.44%
Borrowers with IVAs:.....	7.40%
First charge:.....	100.00%
Second charge:.....	0.00%
Weighted average remaining term to maturity (months):.....	257.69

*Indexed to Halifax Monthly House Price Index

Distribution of Loans by Origination Value LTV

Distribution of Loans by Origination Value LTV	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
<= 24.9%.....	1	0.51	46,066	0.28
25.0 - 4.99%.....	7	3.59	399,477	2.42
50.0 - 54.9%.....	2	1.03	146,549	0.89
55.0 - 59.9%.....	5	2.56	265,525	1.61
60.0 - 64.9%.....	17	8.72	1,250,844	7.58
65.0 - 69.9%.....	25	12.82	2,125,758	12.89
70.0 - 74.9%.....	23	11.79	1,767,249	10.71
75.0 - 79.9%.....	27	13.85	2,183,322	13.23
80.0 - 84.9%.....	44	22.56	4,219,011	25.57
85.0 - 89.9%.....	31	15.90	2,661,668	16.13
90.0 - 94.9%.....	13	6.67	1,431,239	8.68
Total	195	100.00	16,496,707	100.00

Min: 17.31%

Max: 92.42%

WA: 76.99%

Distribution of Loans by Current LTV

Distribution of Loans by Current LTV	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
<=24.9%.....	1	0.51	46,066	0.28
25.0 - 49.9%.....	7	3.59	399,477	2.42
50.0 - 54.9%.....	4	2.05	245,660	1.49
55.0 - 59.9%.....	5	2.56	461,975	2.80
60.0 - 64.9%.....	22	11.28	1,554,601	9.42
65.0 - 69.9%.....	19	9.74	1,622,351	9.83
70.0 - 74.9%.....	25	12.82	2,022,431	12.26
75.0 - 79.9%.....	27	13.85	2,082,281	12.62
80.0 - 84.9%.....	42	21.54	3,932,790	23.84
85.0 - 89.9%.....	31	15.90	2,754,349	16.70
90.0 - 94.9%.....	11	5.64	1,293,080	7.84
95.0 - 99.9%.....	1	0.51	81,646	0.49
Total	195	100.00	16,496,707	100.00

Min: 15.88%

Max: 96.05%

WA: 76.61%

Distribution of Loans by Current Indexed LTV

Distribution of Loans by Current Indexed LTV	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
<= 24.9%.....	1	0.51%	46,065.65	0.28%
25.0% - 49.9%.....	3	1.54%	141,496.41	0.86%
50.0% - 54.9%.....	1	0.51%	97,941.97	0.59%
55.0% - 59.9%.....	4	2.05%	199,120.20	1.21%
60.0% - 64.9%.....	5	2.56%	322,442.75	1.95%
65.0% - 69.9%.....	8	4.10%	728,488.56	4.42%
70.0% - 74.9%.....	20	10.26%	1,379,004.68	8.36%
75.0% - 79.9%.....	17	8.72%	1,349,653.84	8.18%
80.0% - 84.9%.....	19	9.74%	1,762,496.52	10.68%
85.0% - 89.9%.....	28	14.36%	1,991,732.05	12.07%
90.0% - 94.9%.....	26	13.33%	2,636,172.13	15.98%
95.0% - 99.9%.....	37	18.97%	3,160,760.82	19.16%
100.0% - 104.99%.....	20	10.26%	2,136,340.73	12.95%
105.0% - 109.99%.....	5	2.56%	463,345.20	2.81%
110.0% - 114.99%.....	1	0.51%	81,645.73	0.49%
115.0% - 119.99%.....	-	0.00%	-	0.00%
120.0% - 124.99%.....	-	0.00%	-	0.00%
125.0% - 129.99%.....	-	0.00%	-	0.00%
130.0% - 134.99%.....	-	0.00%	-	0.00%
135.0% - 139.99%.....	-	0.00%	-	0.00%
140.0% - 144.99%.....	-	0.00%	-	0.00%
145.0% - 149.99%.....	-	0.00%	-	0.00%
150.0% - 154.99%.....	-	0.00%	-	0.00%
155.0% - 170.0%.....	-	0.00%	-	0.00%
Total	195.00	100.00%	16,496,707.24	100.00

Min: 19.05%

Max: 111.58%

WA: 87.60%

Distribution of Loans by Current Balance

Distribution of Loans by Current Balance	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
25,000 - 49,999.....	14	7.18	581,095	3.52
50,000 - 74,999.....	82	42.05	5,176,411	31.38
75,000 - 99,999.....	53	27.18	4,525,350	27.43
100,000 - 124,999.....	25	12.82	2,754,271	16.70
125,000 - 149,999.....	8	4.10	1,122,769	6.81
150,000 - 174,999.....	6	3.08	950,168	5.76
175,000 - 199,999.....	6	3.08	1,094,678	6.64
275,000 - 299,999.....	1	0.51	291,966	1.77
Total	195	100.00	16,496,707	100.00

Max: £291,966

Avg: £84,598

Distribution of Loans by Current Interest Rate

Distribution of Loans by Current Interest Rate	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
5.00 - 5.24%.....	2	1.03	131,068	0.79
5.25 - 5.49%.....	4	2.05	363,242	2.20
5.50 - 5.74%.....	7	3.59	607,316	3.68
5.75 - 5.99%.....	21	10.77	1,554,420	9.42
6.00 - 6.24%.....	32	16.41	2,494,117	15.12
6.25 - 6.49%.....	33	16.92	2,798,521	16.96
6.50 - 6.74%.....	43	22.05	3,611,587	21.89
6.75 - 6.99%.....	13	6.67	1,219,802	7.39
7.00 - 7.24%.....	31	15.90	2,819,636	17.09
7.25 - 7.49%.....	6	3.08	582,588	3.53
7.50 - 7.74%.....	1	0.51	181,559	1.10
7.75 - 7.99%.....	2	1.03	132,851	0.81
Total	195	100.00	16,496,707	100.00

Min: 5.24%

Max: 7.94%

WA: 6.52%

Distribution of Loans by Stabilised Margin (over relevant index)

Distribution of Loans by Stabilised Margin (over relevant index)	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
1.25 - 1.49%.....	5	2.56	455,228	2.76
1.50 - 1.74%.....	8	4.10	674,202	4.09
1.75 - 1.99%.....	17	8.72	1,367,117	8.29
2.00 - 2.24%.....	24	12.31	1,876,812	11.38
2.25 - 2.49%.....	22	11.28	1,802,513	10.93
2.50 - 2.74%.....	42	21.54	3,572,492	21.66
2.75 - 2.99%.....	17	8.72	1,328,825	8.06
3.00 - 3.24%.....	15	7.69	1,324,956	8.03
3.25 - 3.49%.....	21	10.77	1,781,955	10.80
3.50 - 3.74%.....	7	3.59	637,503	3.86
3.75 - 3.99%.....	13	6.67	1,269,960	7.70
4.00 - 4.24%.....	4	2.05	405,144	2.46
Total	195	100.00	16,496,707	100.00

Min: 1.39%

Max: 4.15%

WA: 2.71%

Distribution of Loans by Current Interest Rate Type

Distribution of Loans by Current Interest Rate Type	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
Discounted	8	4.10	779,346	4.72
Fixed	187	95.90	15,717,362	95.28
Total	195	100.00	16,496,707	100.00

Distribution of Loans by Method of Amortisation

Distribution of Loans by Method of Amortisation	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
Amortising	108	55.38	8,113,694	49.18
Non-Amortising	87	44.62	8,383,013	50.82
Total	195	100.00	16,496,707	100.00

Distribution of Loans by Income Verification

Distribution of Loans by Income Verification	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
Non self certified	75	38.46	6,146,224	37.26
Self certified	120	61.54	10,350,483	62.74
Total	195	100.00	16,496,707	100.00

Distribution of Loans by Loan Purpose

Distribution of Loans by Loan Purpose	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
Purchase	110	56.41	8,814,605	53.43
Remortgage	85	43.59	7,682,102	46.57
Total	195	100.00	16,496,707	100.00

Distribution of Loans by Priority

Distribution of Loans by Priority	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
First charge	195	100.00	16,496,707	100.00
Total	195	100.00	16,496,707	100.00

Distribution of Loans by Region

Distribution of Loans by Region	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
East Anglia.....	6	3.08	547,534	3.32
East Midlands.....	14	7.18	1,124,882	6.82
Greater London.....	9	4.62	1,384,334	8.39
North.....	27	13.85	1,850,027	11.21
North West.....	41	21.03	3,046,248	18.47
Outer London.....	9	4.62	1,322,355	8.02
South East.....	16	8.21	1,729,302	10.48
South West.....	8	4.10	823,031	4.99
Wales.....	16	8.21	1,090,787	6.61
West Midlands.....	18	9.23	1,421,790	8.62
Yorkshire and Humberside.....	31	15.90	2,156,416	13.07
Total	195	100.00	16,496,707	100.00

Distribution of Loans by Property Type

Distribution of Loans by Property Type	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
Detached.....	5	2.56	524,189	3.18
Flat.....	9	4.62	743,071	4.50
Semi-Bungalow.....	1	0.51	54,874	0.33
Semi-Detached.....	2	1.03	182,775	1.11
Semi-House.....	62	31.79	5,513,486	33.42
Terraced.....	116	59.49	9,478,312	57.46
Total	195	100.00	16,496,707	100.00

Distribution of Loans by Occupancy Type

Distribution of Loans by Occupancy Type	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
Investment Home.....	1	0.51	83,890	0.51
Owner Occupied.....	194	99.49	16,412,818	99.49
Total	195	100.00	16,496,707	100.00

Distribution of Loans by Number of Months in Arrears

Distribution of Loans by Number of Months in Arrears (months)	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
<= 0.000.....	153	78.46	12,737,107	77.21
0.001 - 1.000.....	26	13.33	2,321,859	14.07
1.001 - 1.999.....	16	8.21	1,437,741	8.72
Total	195	100.00	16,496,707	100.00

Sum of current principal balances of loans in arrears:.....	3,759,600
Number of loans in arrears as a percentage of the balance of the Series Portfolio:.....	21.54%
Average current balance of loans in arrears:.....	89,514
Weighted average LTV of loans in arrears:.....	82.87%
Largest current balance of the loans in arrears:.....	291,966

Distribution of Borrowers with County Court Judgements

Distribution of Borrowers with County Court Judgements	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
0.000 - 0.999	144	73.85	12,299,518	74.56
1.000 - 1.999	31	15.90	2,454,919	14.88
2.000 - 2.999	15	7.69	1,084,634	6.57
>= 3.000	5	2.56	657,635	3.99
Total	195	100.00	16,496,707	100.00

Distribution of Loans by Bankruptcy Orders and Individual Voluntary Arrangements

Distribution of Loans by Bankruptcy Orders and Individual Voluntary Arrangements	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
N.....	166	85.13	13,778,313	83.52
Y.....	29	14.87	2,718,394	16.48
Total	195	100.00	16,496,707	100.00

Distribution of Loans by Seasoning

Distribution of Loans by Seasoning (months)	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
20.00 - 20.99	93	47.69	7,967,940	48.30
21.00 - 21.99	58	29.74	4,911,344	29.77
22.00 - 22.99	43	22.05	3,561,469	21.59
24.00 - 29.99	1	0.51	55,954	0.34
Total	195	100.00	16,496,707	100.00

Min: 20.07 months

Max: 26.97 months

WA: 21.18 month

Distribution of Loans by Remaining Maturity

Distribution of Loans by Remaining Maturity (months)	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
60.00 - 89.99	2	1.03	298,518	1.81
90.00 - 119.99	5	2.56	338,790	2.05
120.00 - 149.99	5	2.56	424,481	2.57
150.00 - 179.99	12	6.15	1,162,427	7.05
180.00 - 209.99	3	1.54	272,060	1.65
210.00 - 239.99	22	11.28	1,916,423	11.62
240.00 - 269.99	16	8.21	1,238,249	7.51
270.00 - 299.99	99	50.77	8,477,094	51.39
300.00 - 329.99	2	1.03	113,665	0.69
330.00 - 359.99	29	14.87	2,254,999	13.67
Total	195	100.00	16,496,707	100.00

Min: 75.20 months

Max: 339.94 months

WA: 257.69 months

Distribution of Loans by Remaining Term to Reversion

Distribution of Loans by Remaining Term to Reversion (months)	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
0.00 - 2.99	21	10.77	1,763,398	10.69
3.00 - 5.99	19	9.74	1,476,820	8.95
9.00 - 11.99	1	0.51	55,954	0.34
12.00 - 14.99	80	41.03	6,709,416	40.67
15.00 - 17.99	74	37.95	6,491,120	39.35
Total	195	100.00	16,496,707	100.00

Min: 1.35 months

Max: 15.93 months

WA: 12.47 months

Part D: Edeus Loans Portfolio

Summary table of Edeus Loans Portfolio

Aggregate current balance	£151,240,923
Number of borrowers	791
Number of loans	919
Average loan size	£164,571
Largest principal balance	£1,998,361
Repayment loans	7.68%
Interest-only loans	92.32%
Part interest/repayment loans	0.00%
Right-to-buy loans	0.00%
Weighted average current interest rate	5.50%
Weighted average stabilised margin (over relevant index)	2.15%
Weighted average original LTV	82.44%
Weighted average current LTV	83.01%
Weighted average current indexed LTV*	99.08%
Weighted average seasoning (months)	18.31
Remortgage	47.79%
Investment Home Loan	55.01%
Owner occupied	44.99%
Self certified	40.18%
Borrowers with bankruptcy orders (months)	0.00%
Borrowers with CCJs	5.01%
Borrowers with IVAs	0.00%
First charge	100.00%
Second charge	0.00%
Weighted average remaining term to maturity	228.57

*Indexed to Halifax Monthly House Price Index

Distribution of Loans by Origination Value LTV

Distribution of Loans by Origination Value LTV	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
<= 24.9%.....	5	0.54	308,548	0.20
25.0% - 49.9%	29	3.16	3,164,298	2.09
50.0% - 54.9%	6	0.65	761,401	0.50
55.0% - 59.9%	12	1.31	1,182,818	0.78
60.0% - 64.9%	18	1.96	3,208,875	2.12
65.0% - 69.9%	17	1.85	4,165,991	2.75
70.0% - 74.9%	37	4.03	12,082,937	7.99
75.0% - 79.9%	67	7.29	14,642,366	9.68
80.0% - 84.9%	154	16.76	28,573,859	18.89
85.0% - 89.9%	269	29.27	42,439,783	28.06
90.0% - 94.9%	287	31.23	37,794,411	24.99
95.0% - 99.9%	10	1.09	1,254,802	0.83
>= 100%.....	8	0.87	1,660,834	1.10
Total	919	100.00	151,240,923	100.00

Min: 19.43%
 Max: 130.83%
 WA: 82.44%

Distribution of Loans by Current LTV

Distribution of Loans by Current LTV	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
<= 24.9%.....	10	1.09	525,826	0.35
25.0% - 49.9%	28	3.05	3,004,076	1.99
50.0% - 54.9%	6	0.65	761,401	0.50
55.0% - 59.9%	13	1.41	1,415,494	0.94
60.0% - 64.9%	15	1.63	2,091,644	1.38
65.0% - 69.9%	23	2.50	5,532,829	3.66
70.0% - 74.9%	38	4.13	11,889,070	7.86
75.0% - 79.9%	54	5.88	13,434,856	8.88
80.0% - 84.9%	118	12.84	22,993,752	15.20
85.0% - 89.9%	259	28.18	43,071,997	28.48
90.0% - 94.9%	334	36.34	43,343,189	28.66
95.0% - 99.9%	13	1.41	1,513,300	1.00
>= 100%.....	8	0.87	1,663,490	1.10
Total	919	100.00	151,240,923	100.00

Min: 0%
 Max: 132.23%
 WA: 83.01%

Distribution of Loans by Current Indexed LTV

Distribution of Loans by Current Indexed LTV	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
<= 24.9%.....	5	0.54%	233,743.86	0.15%
25.0% - 49.9%	20	2.18%	1,800,556.84	1.19%
50.0% - 54.9%	7	0.76%	450,258.09	0.30%
55.0% - 59.9%	6	0.65%	1,091,749.38	0.72%
60.0% - 64.9%	5	0.54%	630,171.98	0.42%
65.0% - 69.9%	10	1.09%	1,016,600.52	0.67%
70.0% - 74.9%	12	1.31%	1,851,868.40	1.22%
75.0% - 79.9%	14	1.52%	1,646,754.37	1.09%
80.0% - 84.9%	25	2.72%	7,216,672.80	4.77%
85.0% - 89.9%	31	3.37%	9,901,992.02	6.55%
90.0% - 94.9%	49	5.33%	12,050,949.72	7.97%
95.0% - 99.9%	108	11.75%	21,730,599.03	14.37%
100.0% - 104.99%	227	24.70%	38,055,717.75	25.16%
105.0% - 109.99%	243	26.44%	33,714,129.29	22.29%
110.0% - 114.99%	139	15.13%	16,936,053.29	11.20%

Distribution of Loans by Current Indexed LTV	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
115.0% - 119.99%	10	1.09%	1,249,615.80	0.83%
120.0% - 124.99%	3	0.33%	421,256.97	0.28%
125.0% - 129.99%	2	0.22%	704,807.97	0.47%
130.0% - 134.99%	-	0.00%	-	0.00%
135.0% - 139.99%	-	0.00%	-	0.00%
140.0% - 144.99%	-	0.00%	-	0.00%
145.0% - 149.99%	1	0.11%	212,907.97	0.14%
150.0% - 154.99%	1	0.11%	189,640.97	0.13%
155.0% - 170.0%	1	0.11%	134,875.62	0.09%
Total	919	100.00	151,240,922.64	100.00

Min: 0.00%
Max: 161.78%
WA: 99.08%

Distribution of Loans by Current Balance

Distribution of Loans by Current Balance	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
<= 24,999	4	0.44	29,006	0.02
25,000 - 49,999	11	1.20	497,336	0.33
50,000 - 74,999	100	10.88	6,447,741	4.26
75,000 - 99,999	160	17.41	14,034,082	9.28
100,000 - 124,999	180	19.59	20,299,559	13.42
125,000 - 149,999	135	14.69	18,289,189	12.09
150,000 - 174,999	90	9.79	14,573,917	9.64
175,000 - 199,999	51	5.55	9,557,733	6.32
200,000 - 224,999	47	5.11	9,920,937	6.56
225,000 - 249,999	28	3.05	6,627,044	4.38
250,000 - 274,999	19	2.07	4,930,978	3.26
275,000 - 299,999	13	1.41	3,690,173	2.44
300,000 - 349,999	20	2.18	6,491,808	4.29
350,000 - 399,999	16	1.74	5,891,578	3.90
400,000 - 449,999	11	1.20	4,715,755	3.12
>= 450,000	34	3.70	25,244,088	16.69
Total	919	100.00	151,240,923	100.00

Max: £1,998,361
Avg: £164,571

Distribution of Loans by Current Interest Rate

Distribution of Loans by Current Interest Rate	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
4.75 - 4.99%	94	10.23	13,764,975	9.10
5.00 - 5.24%	261	28.40	38,249,043	25.29
5.25 - 5.49%	280	30.47	48,940,543	32.36
5.50 - 5.74%	91	9.90	18,483,616	12.22
5.75 - 5.99%	68	7.40	12,545,101	8.29
6.00 - 6.24%	55	5.98	8,337,392	5.51
6.25 - 6.49%	41	4.46	5,657,615	3.74
6.50 - 6.74%	10	1.09	1,616,364	1.07
6.75 - 6.99%	16	1.74	2,802,981	1.85
7.00 - 7.24%	2	0.22	636,095	0.42
7.25 - 7.49%	1	0.11	207,197	0.14
Total	919	100.00	151,240,923	100.00

Min: 4.89%
Max: 7.39%
WA: 5.50%

Distribution of Loans by Stabilised Margin (over relevant index)

Distribution of Loans by Stabilised Margin (over relevant index)	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
1.00 - 1.24%.....	9	0.98	4,579,244	3.03
1.25 - 1.49%.....	7	0.76	581,891	0.38
1.50 - 1.74%.....	3	0.33	231,636	0.15
1.75 - 1.99%.....	566	61.59	95,126,203	62.90
2.00 - 2.24%.....	137	14.91	14,459,662	9.56
2.25 - 2.49%.....	31	3.37	3,946,934	2.61
2.50 - 2.74%.....	110	11.97	21,770,720	14.39
2.75 - 2.99%.....	23	2.50	4,450,785	2.94
3.25 - 3.49%.....	2	0.22	210,855	0.14
3.50 - 3.74%.....	8	0.87	1,656,124	1.10
3.75 - 3.99%.....	23	2.50	4,226,869	2.79
Total	919	100.00	151,240,923	100.00

Min: 1.09%

Max: 3.99%

WA: 2.15%

Distribution of Loans by Current Interest Rate Type

Distribution of Loans by Current Interest Rate Type	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
Discounted.....	870	94.67	141,806,073	93.76
Tracker.....	49	5.33	9,434,850	6.24
Total	919	100.00	151,240,923	100.00

Distribution of Loans by Method of Amortisation

Distribution of Loans by Method of Amortisation	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
Amortising.....	99	10.77	11,618,470	7.68
Non-Amortising.....	820	89.23	139,622,452	92.32
Total	919	100.00	151,240,923	100.00

Distribution of Loans by Income Verification

Distribution of Loans by Income Verification	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
Non self certified.....	606	65.94	90,471,325	59.82
Self certified.....	313	34.06	60,769,598	40.18
Total	919	100.00	151,240,923	100.00

Distribution of Loans by Loan Purpose

Distribution of Loans by Loan Purpose	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
Purchase.....	524	57.02	78,970,324	52.21
Remortgage.....	395	42.98	72,270,598	47.79
Total	919	100.00	151,240,923	100.00

Distribution of Loans by Priority

Distribution of Loans by Priority	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
First charge	919	100.00	151,240,923	100.00
Total	919	100.00	151,240,923	100.00

Distribution of Loans by Region

Distribution of Loans by Region	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
East Anglia.....	28	3.05	3,707,359	2.45
East Midlands	41	4.46	5,408,970	3.58
Greater London.....	140	15.23	43,793,777	28.96
North	74	8.05	8,552,667	5.65
North West.....	138	15.02	17,817,676	11.78
Northern Ireland.....	68	7.40	11,444,987	7.57
Outer London.....	49	5.33	11,565,622	7.65
Scotland	121	13.17	12,645,804	8.36
South East	59	6.42	10,446,945	6.91
South West.....	40	4.35	6,167,540	4.08
Wales	27	2.94	3,718,683	2.46
West Midlands.....	55	5.98	7,231,651	4.78
Yorkshire and Humberside.....	79	8.60	8,739,242	5.78
Total	919	100.00	151,240,923	100.00

Distribution of Loans by Property Type

Distribution of Loans by Property Type	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
Detached	99	10.77	30,864,240	20.41
Flat	266	28.94	39,778,142	26.30
Maisonette.....	46	5.01	10,706,962	7.08
Semi-Bungalow	10	1.09	1,465,019	0.97
Semi-Detached.....	1	0.11	133,591	0.09
Semi-House.....	174	18.93	25,969,882	17.17
Terraced	323	35.15	42,323,089	27.98
Total	919	100.00	151,240,923	100.00

Distribution of Loans by Occupancy Type

Distribution of Loans by Occupancy Type	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
Investment Home.....	555	60.39	83,191,401	55.01
Owner Occupied	364	39.61	68,049,521	44.99
Total	919	100.00	151,240,923	100.00

Distribution of Loans by Number of Months in Arrears

Distribution of Loans by Number of Months in Arrears	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
<= 0.000	804	87.49	129,835,470	85.85
0.001 - 1.000	90	9.79	16,841,166	11.14
1.001 - 1.999	25	2.72	4,564,286	3.02
Total	919	100.00	151,240,923	100.00

Sum of current principal balances of loans in arrears.....	21,405,452
Number of loans in arrears as a percentage of the balance of the Series Portfolio.....	12.51%
Average current balance of loans in arrears.....	186,134
Weighted average LTV of loans in arrears.....	81.31%
Largest current balance of the loans in arrears.....	1,989,198

Distribution of Borrowers with County Court Judgements

<u>Distribution of Borrowers with County Court Judgements</u>	<u>Number of Mortgage Accounts</u>	<u>% of Total Mortgage Accounts</u>	<u>Current Principal Balance (£)</u>	<u>% of Total Balance</u>
0.000 - 0.999.....	873	94.99	142,651,475	94.32
1.000 - 1.999.....	40	4.35	7,232,970	4.78
2.000 - 2.999.....	5	0.54	692,189	0.46
>= 3.000.....	1	0.11	664,289	0.44
Total.....	919	100.00	151,240,923	100.00

Distribution of Loans by Bankruptcy Orders and Individual Voluntary Arrangements

<u>Distribution of Loans by Bankruptcy Orders and Individual Voluntary Arrangements</u>	<u>Number of Mortgage Accounts</u>	<u>% of Total Mortgage Accounts</u>	<u>Current Principal Balance (£)</u>	<u>% of Total Balance</u>
N.....	919	100.00	151,240,923	100.00
Total.....	919	100.00	151,240,923	100.00

Distribution of Loans by Seasoning

<u>Distribution of Loans by Seasoning (months)</u>	<u>Number of Mortgage Accounts</u>	<u>% of Total Mortgage Accounts</u>	<u>Current Principal Balance (£)</u>	<u>% of Total Balance</u>
16.00 - 16.99.....	2	0.22	400,609	0.26
17.00 - 17.99.....	209	22.74	32,705,905	21.63
18.00 - 18.99.....	690	75.08	114,100,836	75.44
19.00 - 19.99.....	18	1.96	4,033,573	2.67
Total.....	919	100.00	151,240,923	100.00

Min: 16.89 months

Max: 19.02 months

WA: 18.31 months

Distribution of Loans by Remaining Maturity

<u>Distribution of Loans by Remaining Maturity (months)</u>	<u>Number of Mortgage Accounts</u>	<u>% of Total Mortgage Accounts</u>	<u>Current Principal Balance (£)</u>	<u>% of Total Balance</u>
30.00 - 59.99.....	7	0.76	1,569,464	1.04
60.00 - 89.99.....	23	2.50	3,808,364	2.52
90.00 - 119.99.....	63	6.86	13,584,576	8.98
120.00 - 149.99.....	15	1.63	2,620,258	1.73
150.00 - 179.99.....	83	9.03	14,177,824	9.37
180.00 - 209.99.....	39	4.24	7,659,220	5.06
210.00 - 239.99.....	221	24.05	35,656,534	23.58
240.00 - 269.99.....	34	3.70	4,717,562	3.12
270.00 - 299.99.....	385	41.89	61,140,871	40.43
300.00 - 329.99.....	4	0.44	407,750	0.27
330.00 - 359.99.....	30	3.26	3,810,693	2.52
360.00 - 389.99.....	1	0.11	366,369	0.24
390.00 - 419.99.....	7	0.76	764,655	0.51
420.00 - 449.99.....	3	0.33	423,057	0.28

Distribution of Loans by Remaining Maturity (months)	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
450.00 - 479.99	4	0.44	533,725	0.35
Total	919	100.00	151,240,923	100.00

Min: 41.30 months
Max: 461.96 months
WA: 228.57 months

Distribution of Loans by Remaining Term to Reversion

Distribution of Loans by Remaining Term to Reversion (months)	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
0.00 - 2.99	49	5.33	9,434,850	6.24
3.00 - 5.99	465	50.60	76,665,776	50.69
6.00 - 8.99	167	18.17	26,860,764	17.76
9.00 - 11.99	10	1.09	3,580,876	2.37
15.00 - 17.99	174	18.93	26,560,986	17.56
18.00 - 20.99	54	5.88	8,137,671	5.38
Total	919	100.00	151,240,923	100.00

Min: 0.00 months
Max: 18.43 months
WA: 8.18 months

Part E: PFL Loans Portfolio

Summary table of PFL Loans Portfolio

Aggregate current balance:	£83,431,510
Number of borrowers:	610
Number of loans:	610
Average loan size:	£136,773
Largest principal balance:	£830,000
Repayment loans:	26.19%
Interest-only loans:	73.81%
Part interest/repayment loans:	0.00%
Right-to-buy loans:	0.00%
Weighted average current interest rate:	6.19%
Weighted average stabilised margin (over relevant index):	2.08%
Weighted average original LTV:	85.58%
Weighted average current LTV:	85.02%
Weighted average current indexed LTV*	96.11%
Weighted average seasoning (months):	22.77
Remortgage:	31.04%
Investment Home Loan:	18.02%
Owner occupied:	81.98%
Self certified:	63.88%
Borrowers with bankruptcy orders:	1.73%
Borrowers with CCJs:	7.08%
Borrowers with IVAs:	1.73%
First charge:	100.00%
Second charge:	0.00%
Weighted average remaining term to maturity (months):	254.32

*Indexed to Halifax Monthly House Price Index

Distribution of Loans by Origination Value LTV

Distribution of Loans by Origination Value LTV	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
<= 24.9%.....	6	0.98	237,425	0.28
25.0% - 49.9%	20	3.28	1,676,752	2.01
50.0% - 54.9%	11	1.80	1,140,250	1.37
55.0% - 59.9%	9	1.48	919,312	1.10
60.0% - 64.9%	14	2.30	1,446,651	1.73
65.0% - 69.9%	22	3.61	2,482,491	2.98
70.0% - 74.9%	17	2.79	1,826,742	2.19
75.0% - 79.9%	30	4.92	4,643,022	5.57
80.0% - 84.9%	57	9.34	6,796,499	8.15
85.0% - 89.9%	145	23.77	21,015,453	25.19
90.0% - 94.9%	193	31.64	29,450,313	35.30
95.0% - 99.9%	83	13.61	11,424,066	13.69
>= 100%.....	3	0.49	372,534	0.45
Total	610	100.00	83,431,510	100.00

Min: 2.33%
 Max: 146.08%
 WA: 85.58%

Distribution of Loans by Current LTV

Distribution of Loans by Current LTV	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
<= 24.9%.....	7	1.15	237,523	0.28
25.0% - 49.9%	22	3.61	1,942,203	2.33
50.0% - 54.9%	8	1.31	867,188	1.04
55.0% - 59.9%	11	1.80	1,103,361	1.32
60.0% - 64.9%	16	2.62	1,523,074	1.83
65.0% - 69.9%	22	3.61	2,477,024	2.97
70.0% - 74.9%	20	3.28	2,186,574	2.62
75.0% - 79.9%	34	5.57	5,303,876	6.36
80.0% - 84.9%	81	13.28	9,945,570	11.92
85.0% - 89.9%	154	25.25	22,164,333	26.57
90.0% - 94.9%	162	26.56	25,324,235	30.35
95.0% - 99.9%	72	11.80	10,280,742	12.32
>= 100%.....	1	0.16	75,807	0.09
Total	610	100.00	83,431,510	100.00

Min: 0.04%
 Max: 101.08%
 WA: 85.02%

Distribution of Loans by Current Indexed LTV (PFL)

Distribution of Loans by Current Indexed LTV	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
<= 24.9%.....	6	0.98%	167,412.87	0.20%
25.0% - 49.9%	12	1.97%	975,159.57	1.17%
50.0% - 54.9%	7	1.15%	554,748.00	0.66%
55.0% - 59.9%	7	1.15%	777,296.26	0.93%
60.0% - 64.9%	9	1.48%	911,841.59	1.09%
65.0% - 69.9%	11	1.80%	1,157,362.62	1.39%
70.0% - 74.9%	18	2.95%	1,746,179.23	2.09%
75.0% - 79.9%	19	3.11%	2,224,049.25	2.67%
80.0% - 84.9%	17	2.79%	1,951,984.38	2.34%
85.0% - 89.9%	35	5.74%	5,232,013.82	6.27%
90.0% - 94.9%	57	9.34%	7,480,440.77	8.97%
95.0% - 99.9%	144	23.61%	19,755,644.21	23.68%
100.0% - 104.99%	181	29.67%	28,702,195.14	34.40%
105.0% - 109.99%	64	10.49%	8,645,853.78	10.36%
110.0% - 114.99%	21	3.44%	2,949,365.74	3.54%

Distribution of Loans by Current Indexed LTV	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
115.0% - 119.99%	2	0.33%	199,962.68	0.24%
120.0% - 124.99%	-	0.00%	-	0.00%
125.0% - 129.99%	-	0.00%	-	0.00%
130.0% - 134.99%	-	0.00%	-	0.00%
135.0% - 139.99%	-	0.00%	-	0.00%
140.0% - 144.99%	-	0.00%	-	0.00%
145.0% - 149.99%	-	0.00%	-	0.00%
150.0% - 154.99%	-	0.00%	-	0.00%
155.0% - 170.0%	-	0.00%	-	0.00%
Total	610.00	100.00	83,431,509.91	100.00

Min: 0.05%
Max: 115.11%
WA: 96.11%

Distribution of Loans by Current Balance

Distribution of Loans by Current Balance	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
<= 24,999	3	0.49	20,489	0.02
25,000 - 49,999	21	3.44	915,050	1.10
50,000 - 74,999	88	14.43	5,574,669	6.68
75,000 - 99,999	105	17.21	9,145,896	10.96
100,000 - 124,999	100	16.39	11,184,919	13.41
125,000 - 149,999	79	12.95	10,787,589	12.93
150,000 - 174,999	77	12.62	12,426,167	14.89
175,000 - 199,999	43	7.05	8,074,802	9.68
200,000 - 224,999	29	4.75	6,089,431	7.30
225,000 - 249,999	18	2.95	4,247,422	5.09
250,000 - 274,999	13	2.13	3,381,997	4.05
275,000 - 299,999	9	1.48	2,573,434	3.08
300,000 - 349,999	16	2.62	5,115,671	6.13
350,000 - 399,999	6	0.98	2,252,853	2.70
400,000 - 449,999	2	0.33	811,123	0.97
>= 450,000	1	0.16	830,000	0.99
Total	610	100.00	83,431,510	100.00

Max: £830,000
Avg: £136,773

Distribution of Loans by Current Interest Rate

Distribution of Loans by Current Interest Rate	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
4.75 - 4.99%	17	2.79	2,074,256	2.49
5.00 - 5.24%	32	5.25	3,897,435	4.67
5.25 - 5.49%	51	8.36	8,508,970	10.20
5.50 - 5.74%	62	10.16	7,493,744	8.98
5.75 - 5.99%	130	21.31	18,551,264	22.24
6.00 - 6.24%	100	16.39	15,183,306	18.20
6.25 - 6.49%	43	7.05	5,318,696	6.37
6.50 - 6.74%	36	5.90	4,961,564	5.95
6.75 - 6.99%	53	8.69	6,235,221	7.47
7.00 - 7.24%	18	2.95	2,460,992	2.95
7.25 - 7.49%	22	3.61	2,903,167	3.48
7.50 - 7.74%	18	2.95	2,507,666	3.01
7.75 - 7.99%	8	1.31	1,010,124	1.21
8.00 - 8.24%	11	1.80	1,382,000	1.66
8.25 - 8.49%	4	0.66	512,049	0.61
8.50 - 8.74%	3	0.49	322,838	0.39
9.00 - 9.24%	1	0.16	72,785	0.09

Distribution of Loans by Current Interest Rate	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
9.75 - 9.99%.....	1	0.16	35,431	0.04
Total	610	100.00	83,431,510	100.00

Min: 4.78%
Max: 9.75%
WA: 6.19%

Distribution of Loans by Stabilised Margin (over relevant index)

Distribution of Loans by Stabilised Margin (over relevant index)	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
0.00 - 0.24%.....	3	0.49	55,822	0.07
0.25 - 0.49%.....	4	0.66	446,649	0.54
0.75 - 0.99%.....	1	0.16	173,229	0.21
1.00 - 1.24%.....	2	0.33	145,323	0.17
1.25 - 1.49%.....	51	8.36	6,899,799	8.27
1.50 - 1.74%.....	49	8.03	6,448,322	7.73
1.75 - 1.99%.....	72	11.80	11,064,772	13.26
2.00 - 2.24%.....	221	36.23	34,683,417	41.57
2.25 - 2.49%.....	94	15.41	10,018,050	12.01
2.50 - 2.74%.....	26	4.26	3,239,020	3.88
2.75 - 2.99%.....	42	6.89	4,674,345	5.60
3.00 - 3.24%.....	9	1.48	1,108,280	1.33
3.25 - 3.49%.....	11	1.80	1,013,225	1.21
3.50 - 3.74%.....	5	0.82	837,659	1.00
3.75 - 3.99%.....	11	1.80	1,299,568	1.56
4.00 - 4.24%.....	8	1.31	1,150,968	1.38
4.25 - 4.49%.....	1	0.16	173,060	0.21
Total	610	100.00	83,431,510	100.00

Min: 0.00%
Max: 4.45%
WA: 2.08%

Distribution of Loans by Current Interest Rate Type

Distribution of Loans by Current Interest Rate Type	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
Discounted.....	133	21.80	19,192,711	23.00
Fixed.....	338	55.41	45,692,876	54.77
Tracker.....	139	22.79	18,545,922	22.23
Total	610	100.00	83,431,510	100.00

Distribution of Loans by Method of Amortisation

Distribution of Loans by Method of Amortisation	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
Amortising.....	196	32.13	21,848,474	26.19
Non-Amortising.....	414	67.87	61,583,036	73.81
Total	610	100.00	83,431,510	100.00

Distribution of Loans by Income Verification

Distribution of Loans by Income Verification	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
Non self certified	279	45.74	30,135,329	36.12
Self certified.....	331	54.26	53,296,181	63.88
Total	610	100.00	83,431,510	100.00

Distribution of Loans by Loan Purpose

Distribution of Loans by Loan Purpose	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
Purchase	410	67.21	57,530,733	68.96
Remortgage.....	200	32.79	25,900,777	31.04
Total	610	100.00	83,431,510	100.00

Distribution of Loans by Priority

Distribution of Loans by Priority	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
First charge	610	100.00	83,431,510	100.00
Total	610	100.00	83,431,510	100.00

Distribution of Loans by Region

Distribution of Loans by Region	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
East Anglia.....	19	3.11	2,308,264	2.77
East Midlands	52	8.52	5,474,756	6.56
Greater London.....	118	19.34	24,196,138	29.00
North	40	6.56	3,428,134	4.11
North West.....	94	15.41	8,933,594	10.71
Outer London.....	60	9.84	9,708,570	11.64
South East	64	10.49	9,612,597	11.52
South West.....	31	5.08	5,998,291	7.19
Wales	24	3.93	2,278,877	2.73
West Midlands	52	8.52	6,043,867	7.24
Yorkshire and Humberside.....	56	9.18	5,448,421	6.53
Total	610	100.00	83,431,510	100.00

Distribution of Loans by Property Type

Distribution of Loans by Property Type	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
Bungalow	27	4.43	4,147,432	4.97
Detached	45	7.38	8,423,588	10.10
Flat	124	20.33	16,924,920	20.29
Semi-Detached.....	130	21.31	17,804,446	21.34
Terraced	284	46.56	36,131,123	43.31
Total	610	100.00	83,431,510	100.00

Distribution of Loans by Occupancy Type

Distribution of Loans by Occupancy Type	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
Investment Home.....	148	24.26	15,030,888	18.02
Owner Occupied.....	462	75.74	68,400,622	81.98
Total	610	100.00	83,431,510	100.00

Distribution of Loans by Number of Months in Arrears

Distribution of Loans by Number of Months in Arrears (months)	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
<= 0.000.....	532	87.21	73,483,363	88.08
0.001 - 1.000.....	52	8.52	6,674,760	8.00
1.001 - 1.999.....	26	4.26	3,273,386	3.92
Total	610	100.00	83,431,510	100.00

Sum of current principal balances of loans in arrears:.....	9,948,146
Number of loans in arrears as a percentage of the balance of the Series Portfolio:.....	12.79%
Average current balance of loans in arrears:.....	127,540
Weighted average LTV of loans in arrears:.....	86.07%
Largest current balance of the loans in arrears:.....	341,286

Distribution of Borrowers with County Court Judgements

Distribution of Borrowers with County Court Judgements	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
0.000 - 0.999.....	561	91.97	77,528,061	92.92
1.000 - 1.999.....	37	6.07	4,536,866	5.44
2.000 - 2.999.....	7	1.15	710,455	0.85
>= 3.000.....	5	0.82	656,128	0.79
Total	610	100.00	83,431,510	100.00

Distribution of Loans by Bankruptcy Orders and Individual Voluntary Arrangements

Distribution of Loans by Bankruptcy Orders and Individual Voluntary Arrangements	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
N.....	599	98.20	81,988,535	98.27
Y.....	11	1.80	1,442,975	1.73
Total	610	100.00	83,431,510	100.00

Distribution of Loans by Seasoning

Distribution of Loans by Seasoning (months)	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
0.00 - 5.99.....	1	0.16	15,825	0.02
6.00 - 11.99.....	2	0.33	39,998	0.05
20.00 - 20.99.....	149	24.43	21,289,217	25.52
21.00 - 21.99.....	196	32.13	26,470,293	31.73
22.00 - 22.99.....	184	30.16	24,682,637	29.58
23.00 - 23.99.....	11	1.80	1,394,161	1.67
24.00 - 29.99.....	28	4.59	3,931,530	4.71
30.00 - 35.99.....	23	3.77	3,317,755	3.98
36.00 - 41.99.....	12	1.97	1,849,835	2.22

Distribution of Loans by Seasoning (months)	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
42.00 - 47.99	4	0.66	440,261	0.53
Total	610	100.00	83,431,510	100.00

Min: 1.71 months
Max: 43.99 months
WA: 22.77 months

Distribution of Loans by Remaining Maturity

Distribution of Loans by Remaining Maturity (months)	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
90.00 - 119.99	16	2.62	2,688,401	3.22
120.00 - 149.99	17	2.79	2,358,366	2.83
150.00 - 179.99	34	5.57	4,879,885	5.85
180.00 - 209.99	22	3.61	3,280,844	3.93
210.00 - 239.99	87	14.26	11,954,877	14.33
240.00 - 269.99	59	9.67	7,497,925	8.99
270.00 - 299.99	305	50.00	42,160,989	50.53
300.00 - 329.99	4	0.66	453,244	0.54
330.00 - 359.99	66	10.82	8,156,979	9.78
Total	610	100.00	83,431,510	100.00

Min: 96.20 months
Max: 339.71 months
WA: 254.32 months

Distribution of Loans by Remaining Term to Reversion

Distribution of Loans by Remaining Term to Reversion (months)	Number of Mortgage Accounts	% of Total Mortgage Accounts	Current Principal Balance (£)	% of Total Balance
0.00 - 2.99	298	48.85	44,041,747	52.79
3.00 - 5.99	9	1.48	1,367,031	1.64
6.00 - 8.99	16	2.62	2,654,985	3.18
9.00 - 11.99	51	8.36	6,876,022	8.24
12.00 - 14.99	163	26.72	20,496,681	24.57
15.00 - 17.99	27	4.43	3,240,408	3.88
18.00 - 20.99	14	2.30	1,386,865	1.66
33.00 - 35.99	7	1.15	652,824	0.78
36.00 - 38.99	25	4.10	2,714,947	3.25
Total	610	100.00	83,431,510	100.00

Min: 0.00 months
Max: 39.00 months
WA: 7.99 months

WEIGHTED AVERAGE LIVES OF THE NOTES

Weighted average life refers to the average amount of time that will elapse from the date of issue of a security to the date of distribution to the investor of amounts distributed in net reduction of principal of such security (assuming no losses). The weighted average lives, the principal payment dates and expected maturity dates of the Notes will be influenced by, inter alia, the actual rate of prepayment of the Loans in the Series Portfolio.

The model used in this Supplement for the Mortgages represents an assumed constant per annum rate of prepayment ("CPR") each month relative to the then outstanding principal balance of a pool of mortgages modelled based on representative lines. CPR does not purport to be either an historical description of the prepayment experience of any pool of loans or a prediction of the expected rate of prepayment of any loans, including the Loans to be included in the Series Portfolio.

The following tables were prepared based on the characteristics of the Loans included in the Series Portfolio and the following additional assumptions (the "**Modelling Assumptions**"):

- (a) there are no arrears (other than those specified herein) or enforcements;
- (b) no Loan is sold by the Series AssetCo;
- (c) no Series Principal Deficiency arises;
- (d) no Loan is repurchased by the Seller;
- (e) no Further Advances are made in respect of any Loan in the Series Portfolio;
- (f) no Substitute Loans are purchased;
- (g) the portfolio mix of loan characteristics remains the same throughout the life of the Notes;
- (h) LIBOR applicable to the Loans is 5.70%;
- (i) the Bank Base Rate is equal to 4.50%;
- (j) GMAC SVR is 6.74%;
- (k) following the expiry of the fixed rate/discount period (if applicable), the interest rate on each Loan is equal to the relevant index plus a margin;
- (l) (for the purposes of the tables set out under the heading "*Weighted Average Life in Years (with Optional Redemption Assumption)*") the Notes are redeemed in full at the first optional redemption date where the Principal Amount Outstanding of the Notes is reduced to 10% or less of the aggregate Principal Amount Outstanding of the A Notes, the M Notes and the B Notes on the Issue Date (the "**Optional Redemption Assumption**");
- (m) the amortisation of any Repayment Loan is calculated as an annuity loan;
- (n) all Loans which are not Interest Only Loans are assumed to be Repayment Loans;
- (o) the Cut Off Date is 29 December 2008;
- (p) the Issue Date is 30 December 2008.

The actual characteristics and performance of the Loans are likely to differ from the assumptions used in constructing the tables set forth below. The following tables are hypothetical in nature and are provided only to give a general sense of how the principal cash flows might behave under varying prepayment scenarios. For example, it is not expected that the Loans will prepay at a constant rate until maturity, that all of the Loans will prepay at the same rate or that there will be no defaults or delinquencies on the Loans. Moreover, the diverse remaining terms to maturity of the Loans could produce slower or faster principal distributions than indicated in the tables at the various percentages of CPR specified, even if the weighted average remaining term to maturity of the Loans is assumed. Any difference between such assumptions and the actual characteristics and performance of the Loans, will affect the percentage of the

initial amount outstanding of the Notes which are outstanding over time and cause the weighted average lives, the expected maturities or principal payment windows of the Notes to differ (which difference could be material) from the corresponding information in the tables for each indicated percentage of CPR.

The weighted average lives shown below were determined by (i) multiplying the net reduction, if any, of the Principal Amount Outstanding of each class of Notes by the number of years from the date of issuance of the Notes to the related Distribution Date, (ii) adding the results and (iii) dividing the sum by the aggregate of the net reductions of the Principal Amount Outstanding described in (i) above.

The first principal payment date has been calculated on the first expected Interest Payment Date on which the Class of Notes is expected to receive principal. The expected maturity date of the Notes has been calculated on the expected Interest Payment Date on which the Class of Note is finally repaid under the relevant CPR scenarios.

Subject to the foregoing discussion and assumptions, the following tables indicate the weighted average lives of the A Notes, the M1 Notes, the M2 Notes, the B Notes, the C Notes and the D Notes. The weighted average lives of the Notes have been calculated on an ACT/365 basis.

TABLE 1: WEIGHTED AVERAGE LIFE IN YEARS (WITH OPTIONAL REDEMPTION ASSUMPTION)

CPR	0%	5%	10%	15%	20%	25%	30%	35%	40%
A Notes.....	16.85	8.95	5.40	3.72	2.81	2.19	1.85	1.51	1.32
M1 Notes.....	22.55	14.33	9.07	6.34	4.74	3.88	3.03	2.70	2.25
M2 Notes.....	22.55	14.33	9.07	6.34	4.74	3.88	3.03	2.70	2.25
B Notes.....	22.55	14.33	9.07	6.34	4.74	3.88	3.03	2.70	2.25
C Notes.....	23.74	23.42	18.25	13.24	10.01	8.05	6.57	5.56	4.79
D Notes.....	23.95	23.70	18.44	13.44	10.19	8.19	6.70	5.70	4.95

TABLE 2: WEIGHTED AVERAGE LIFE IN YEARS (WITHOUT OPTIONAL REDEMPTION ASSUMPTION)

CPR	0%	5%	10%	15%	20%	25%	30%	35%	40%
A Notes.....	16.85	8.95	5.40	3.72	2.81	2.19	1.85	1.51	1.32
M1 Notes.....	22.55	14.33	9.07	6.34	4.74	3.88	3.03	2.70	2.25
M2 Notes.....	22.55	14.33	9.07	6.34	4.74	3.88	3.03	2.70	2.25
B Notes.....	22.55	14.33	9.07	6.34	4.74	3.88	3.03	2.70	2.25
C Notes.....	24.03	23.42	19.28	14.42	11.01	8.76	7.21	6.04	5.13
D Notes.....	28.87	25.13	23.78	20.63	16.95	13.87	11.47	9.66	8.25

GENERAL INFORMATION

1. It is expected that each Class of Notes which is to be admitted to the Official List of the Irish Stock Exchange will be admitted separately as and when issued, subject only to the issue of a Global Note initially representing the Notes of such Class. The approval of the Programme in respect of the Notes was originally granted on or about 18 July 2007. The Base Prospectus in relation to the Programme was updated on 30 December 2008.
2. The issue of the Notes was authorised by a resolution of the Board of Directors of the Issuer dated on or about 19 December 2008.
3. There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) which may have or have had during the previous 12 months a significant effect on the financial position or profitability of the Issuer.
4. Save as disclosed in this Supplement, since 31 December 2007 (being the date of the last statutory financial statements of the Issuer), there has been no material adverse change in the financial position or prospects of the Issuer and no significant change in the trading or financial position of the Issuer.
5. From the date hereof and for so long as the Notes are outstanding, copies of the following documents will, when published, be available in electronic form from the registered office of the Issuer and from the specified offices of the Paying Agents for the time being in London and in Dublin:
 - (i) this Supplement;
 - (ii) the Memorandum and Articles of Association of the Series AssetCo;
 - (iii) the Series 2008-1 Intercompany Loans Agreement;
 - (iv) the Series 2008-1 AssetCo Security Deed;
 - (v) the Series 2008-1 Portfolio Purchase Agreement;
 - (vi) the Series 2008-1 AssetCo Bank Account Agreement;
 - (vii) the Series Trust Deed;
 - (viii) the Series Paying Agency Agreement;
 - (ix) the Series 2008-1 Investment Account Bank Agreement;
 - (x) the Series 2008-1 Bullet Cap Agreement;
 - (xi) the Series 2008-1 BBR Swap Agreement;
 - (xii) the Series 2008-1 Fixed/Floating Swap Agreement;
 - (xiii) the Series 2008-1 LIBOR Basis Swap Agreements;
 - (xiv) the Issuer Bank Account Agreement;
 - (xv) the Issuer Security Deed Supplement;
 - (xvi) the Scottish Declaration of Trust; and
 - (xvii) the Supplement Trust Deed.

The documents set out in paragraphs (ii) to (xiv) (inclusive) immediately above comprise the Series Transaction Documents.

6. Arthur Cox Listing Services Limited is acting solely in its capacity as listing agent for the Issuer in connection with the Mortgage Backed Floating Rate Notes and is not itself seeking admission of the Mortgage Backed Floating Rate Notes to the official list of the Irish Stock Exchange or to trading on the regulated market of the Irish Stock Exchange for the purposes of the Prospectus Directive.

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in this Supplement.

Signed for and on behalf of the Issuer:

By:

Duly authorised

INDEX OF DEFINED TERMS

A Loan Tranche	34	D Notes	7
A Loan Tranche Principal Deficiency Limit	36	D Principal Deficiency Sub-Ledger	35
A Noteholders	ii	Determination Date	44
A Notes	7	Distribution Date	44
A Principal Deficiency Sub-Ledger	35	Edeus	3
ABN AMRO	2	Edeus Lending Criteria	65
Adult Occupiers Policy	20	Edeus Loan	65
Approved Conveyancer	30	employee benefit plans	ii
Approved Solicitor	30	ERISA	ii
AssetCo Secured Creditors	35	Financial Regulator	ii
AssetCo Security Deed	35	Fixed/Floating Swap Agreement	48
Available Redemption Funds	40	Fixed/Floating Swap Provider	47
Available Revenue Funds	36	Fixed/Floating Swap Provider Default Payment	39
AVM	56, 60	Fixed/Floating Swap Transaction	47
B Loan Tranche	34	Fortis	2
B Loan Tranche Principal Deficiency Limit	36	GMAC Loan	56
B Noteholders	ii	GMAC-RFC	1
B Notes	7	GMAC-RFC Lending Criteria	56
B Principal Deficiency Sub-Ledger	35	HM Treasury	3
Bank of America	10	Interest Payment Date	54
Base Prospectus	ii	Irish Stock Exchange	ii
Base Rate	72	Issue Date	ii
Base Rate Mortgage Rate	72	Issuer	ii
BBR	48	Issuer Available Principal Receipts	52
BBR Swap Agreement	48	Issuer Available Revenue Receipts	51
BBR Swap Provider	47	Issuer Post-Enforcement Priority of Payments	52
BBR Swap Provider Default Payment	39	Issuer Pre-Enforcement Principal Priority of Payments	51
BBR Swap Transaction	47	Issuer Pre-Enforcement Revenue Priority of Payments	50
BO	61	Issuer Retained Profit	51
BTL	56	Issuer Senior Expenses	39
Bullet Cap Agreement	48	Issuer Series 2008-1 Sterling Transaction Account	50
Bullet Cap Provider	47	IVA	61
Bullet Cap Provider Default Payment	39	KMC	1
Bullet Cap Transaction	47	KMC Lending Criteria	59
C Loan Tranche	34	KMC Loan	59
C Loan Tranche Principal Deficiency Limit	36	Land Registers of Northern Ireland	26
C Noteholders	ii	LaSalle	50
C Notes	7	Lending Criteria	18
C Principal Deficiency Sub-Ledger	35	LIBOR Basis Swap Agreement	48
CCJ	61	LIBOR Basis Swap Provider	47
Class A Notes	ii	LIBOR Basis Swap Provider Default Payment	39
Class B Notes	ii	LIBOR Basis Swap Transactions	47
Class C Deferrable Interest Notes	ii	LIBOR-Linked Mortgages	72
Class D Notes	ii	Loan Tranches	34
Class M Notes	ii, 7	LSII Policy	30
Class M1 Notes	ii	LTV	58
Class M2 Notes	ii	M Loan Tranche	34
class of Noteholders	ii	M Loan Tranche Principal Deficiency Limit	36
Code	ii	M Noteholders	ii
Consortium Banks	2	M Principal Deficiency Sub-Ledgers	35
Contingency Policy	20	M1 Loan Tranche	34
CPR	106		
Current Balance	73		
D Loan Tranche	34		
D Loan Tranche Principal Deficiency Limit	36		
D Noteholders	ii		

M1 Noteholders.....	ii	Series AssetCo Corporate Services Agreement	14
M1 Notes.....	7	Series AssetCo Retained Profit.....	39
M1 Principal Deficiency Sub-Ledger.....	35	Series AssetCo Senior Expenses	39
M2 Loan Tranche.....	34	Series AssetCo Share Trustee.....	13
M2 Loan Tranche Principal Deficiency Limit	36	Series Bank Account.....	31
M2 Noteholders.....	ii	Series Bank Account Agreement.....	31
M2 Notes.....	7	Series Hedge Collateral Ledger.....	49
M2 Principal Deficiency Sub-Ledger.....	35	Series Hedge Premium Ledger	49
Modelling Assumptions.....	106	Series Hedge Provider.....	47
Mortgage Backed Floating Rate Notes	ii	Series Initial Liquidity Reserve Fund Amount	45
Mortgage Rate.....	72	Series Intercompany Loan	33
MPL.....	2	Series Investment Account	32
MPL Lending Criteria.....	62	Series Investment Account Bank.....	31
MPL Loan.....	62	Series Liquidity Reserve Fund.....	45
NatWest.....	2	Series Liquidity Reserve Fund Required	45
Net Proceeds	12	Amount.....	45
Non-Status History	73	Series Liquidity Reserve Ledger	45
Noteholders	ii	Series Paying Agency Agreement	33
Notes	ii	Series Portfolio Data Date	19
NPMF.....	60	Series Post-Enforcement Priority of Payments	41
NYM	1	Series Pre-Enforcement Principal Priority of	40
Official List.....	ii	Payments	40
Optional Redemption Assumption	106	Series Pre-Enforcement Revenue Priority of	37
Packagers	55	Payments	37
PFL.....	4	Series Principal Deficiency Sub-Ledger.....	35
PFL Lending Criteria.....	67	Series Principal Deficiency Sub-Ledgers.....	35
PFL Loan.....	67	Series Principal Paying Agent	33
plan.....	ii	Series Registrar	33
plans	ii	Series Residual Certificate Holders.....	40
Pre-Funded Loan.....	21	Series Residual Certificates	39
Pre-Funded Loan Acquisition Conditions.....	21	Series Subordinated Loan	34
Principal Amount Outstanding.....	46	Series Transfer Agent.....	33
Principal Balance	18	Series Trust Deed	33
Programme.....	ii	Series Trustee	33
Prospectus Directive	ii	Stabilised Margin	22
Provisional Pool Date	5, 73	Standard Documentation.....	30
RBS	2	Subordinated Noteholders.....	ii
RBS Series 2008-1 Collection Account	32	Subordinated Notes	ii
Reconciliation Amount.....	33	Supplement.....	ii
Reconciliation Date.....	33	Supplemental Swap Fee.....	33
Regulated Loan	30	Third Party Policies.....	20
Remote Processors.....	55	Title Insurance Policy	20
RFS Holdings.....	2	Trigger Ratio	41, 52
RICS.....	60	TSO Collateral Amount	45
S Notes	7	TSO Collateral Ledger	45
Santander.....	2	TSO Collateral Trigger Conditions	45
Scheme	3	Unfair Terms Regulations.....	19
Securities Act.....	ii	Unregulated Loan.....	30
Securitisation Regulations	5	WAFF.....	24
Series.....	ii	WALS.....	24
Series 2008-1 Investment Account Bank	32	WASM.....	22
Agreement.....	32	WMS	4
Series Agents	33		
Series AssetCo	13		

ISSUER

Uropa Securities PLC
35 Great St. Helen's
London
EC3A 6AP

TRUSTEE

LaSalle Global Trust Services Limited

5 Canada Square, London
E14 5AQ

**PRINCIPAL PAYING AGENT AND SERIES
AGENT BANK**

Bank of America N.A.

5 Canada Square, London
E14 5AQ

REGISTRAR AND TRANSFER AGENT

Bank of America N.A.

5 Canada Square, London
E14 5AQ

PROGRAMME ARRANGER

THE ROYAL BANK OF SCOTLAND PLC

135 Bishopsgate
London EC2M 3UR

LEGAL ADVISERS

To the Arranger, Bookrunner and Lead Manager as to English law

Clifford Chance LLP

10 Upper Bank Street
Canary Wharf
London E14 5JJ

To the Trustee as to English law

Clifford Chance LLP

10 Upper Bank Street
Canary Wharf
London E14 5JJ

To the Issuer as to Scots law

Maclay Murray & Spens LLP
Quartermile One, 15 Leuriston Place
Edinburgh
EH3 9EP

To the Issuer as to Northern Irish law

Cleaver Fulton Rankin Solicitors

50 Bedford Street
Belfast
BT2 7FW

AUDITORS TO THE ISSUER

Ernst & Young LLP

1 More London Place
London SE1 2AF

IRISH LISTING AGENT

Arthur Cox Listing Services Limited

Earlsfort Centre
Earlsfort Terrace
Dublin 2,
Ireland