

Fixed Rate Swap Confirmation

27 October 2014

Brass No.4 PLC
c/o Wilmington Trust SP Services (London) Limited
Third Floor
1 King's Arms Yard
London
EC2R 7AF

Dear Sirs

Re: Fixed Rate Swap

Our Reference:

UTI:

The purpose of this document is to set forth the terms and conditions of the Transaction entered into between Lloyds Bank plc (**Party A**) and yourselves, Brass No.4 PLC (**Party B**) on the Trade Date specified below (the **Transaction**). This document constitutes a "Confirmation" as referred to in the Agreement specified below.

The definitions and provisions contained in the 2006 ISDA Definitions as published by the International Swaps and Derivatives Association, Inc. (the **2006 Definitions**), are incorporated into this Confirmation. Capitalised terms that are not otherwise defined herein shall have the meanings given to them in the Master Definitions and Construction Schedule dated on or about the date hereof and made between, *inter alios*, Party A, Party B and U.S. Bank Trustees Limited, as Note Trustee and Security Trustee (the **Master Definitions Schedule**). In the event of any inconsistency between any of the following, the first listed shall govern (i) this Confirmation, (ii) the Master Definitions Schedule, and (iii) the 2006 Definitions, provided that all references to a "Calculation Period" in this Confirmation shall be to a Calculation Period as such term is defined pursuant to Section 4.13 of the 2006 Definitions and the definition of Calculation Period set out in the Master Definitions Schedule shall not apply with respect to this document.

This Confirmation supplements, forms part of, and is subject to, a 1992 ISDA Master Agreement dated as of 27 October 2014 as amended and supplemented from time to time (the **Agreement**), between yourselves and Lloyds Bank plc. All provisions contained in the Agreement govern this Confirmation except as expressly modified below.

Reference is made to a 1992 ISDA Master Agreement dated as of 29 July 2003 as amended and supplemented from time to time (the **Back to Back Swap Agreement**), between Yorkshire Building Society and Party A. Party B agrees that Party A may disclose to Yorkshire Building Society, in its capacity as a party to the Back to Back Swap Agreement, any and all information about Party B and this Transaction as Party A considers necessary.

The parties acknowledge and agree that this Transaction has been entered into in connection with the issuance by Issuer of GBP 1,000,000,000 due June 2052 and GBP 500,000,000 Class Z VFN due June 2052 (together, the **Notes**).

The terms of the particular Transaction to which this Confirmation relates are as follows:

1. **General Terms**

Notional Amount

In respect of each Calculation Period, an amount in GBP equal to the lesser of (A) the product of (i) the Performance Ratio on the last calendar day of such Calculation Period, and (ii) the Relevant Fixed Notional Amount on the last calendar day of such Calculation Period and (B) the relevant Maximum Notional Amount specified for such Calculation Period in Annex 1 hereto. Following the redemption in full of the Class A Notes, the Notional Amount shall be deemed to be zero.

Following the occurrence of a Back Swap Termination Event any:

- (a) amendments or waivers (including Product Switches and Further Advances), made, given or caused by the Servicer; or
- (b) act or event that has the effect of modifying the terms (including extending the period of time for which the interest rate for the relevant Fixed Rate Loan is fixed) of, any Fixed Rate Loan after the date of such Back Swap Termination Event,

shall be deemed not to have been made or occurred when determining the Notional Amount, Rate or Spread.

Performance Ratio means, in respect of a Calculation Period, the lesser of (i) (A) the greater of (x) zero; and (y) the sum of all payments due in respect of each Fixed Rate Loan in the Portfolio during that Calculation Period less the increase in arrears (being the amount by which a Fixed Rate Loan is in arrears for the current month less the amount by which it was in arrears during the previous month) for each Fixed Rate Loan in the Portfolio during that Calculation Period, divided by (B) the sum of all payments due in respect of each Fixed Rate Loan in the Portfolio during that Calculation Period; and (ii) 1.

Relevant Fixed Notional Amount means on any day the aggregate Current Balance of the Fixed Rate Loans in the Portfolio on such day, as notified by the Servicer

	or Cash Manager to Party A.
Trade Date	27 October 2014
Effective Date	27 October 2014
Termination Date	The earlier of: <ul style="list-style-type: none"> (i) 16 September 2024, subject to adjustment in accordance with the Modified Following Business Day Convention; (ii) following the termination of any Back-to-Back Swap relating to this Transaction by reason of the occurrence of a Back Swap Termination Event, the date on which the Notional Amount falls to zero; (iii) the date on which all of the Class A Notes are redeemed in full; and (iv) the date on which the Security Trustee has enforced the security over the Class A Notes and distributed the proceeds thereof in full.
Business Day Convention	Modified Following
Period End Dates	The first calendar day of each month commencing on and including 1 December 2014 and ending on and including the first calendar day of the month in which the Termination Date falls.
Business Days	London
(A) FIXED AMOUNTS	
Fixed Rate Payer	Party B
Fixed Rate Payer Payment Dates	16th day of each month in each year commencing on 16 December 2014 and with the final Fixed Rate Payer Payment Date falling on the Termination Date, all subject to adjustment in accordance with the Modified Following Business Day Convention.
Fixed Amount	(a) in respect of the first Calculation Period, zero; and (b) in respect of each Calculation Period thereafter, an amount in GBP equal to the product of (i) the Notional Amount, (ii) the weighted average of the rates of interest charged to borrowers of Fixed Rate Loans as of the last calendar day in such Calculation Period and

as notified by the Servicer or the Cash Manager to Party A, and (iii) the Fixed Rate Day Count Fraction.

Fixed Rate Day Count Fraction

Act/365 (Fixed)

(B) FLOATING AMOUNTS

Floating Rate Payer

Party A

Floating Rate Payer Payment Dates

Each Fixed Rate Payer Payment Date.

Floating Amount

In respect of each Calculation Period, an amount in GBP equal to the product of (i) the Notional Amount; (ii) the Floating Rate for that Calculation Period plus the Spread; and (iii) the Floating Rate Day Count Fraction.

Floating Rate Option

GBP-LIBOR-BBA.

Designated Maturity

One Month, except for each Calculation Period ending on or prior to 30 November 2014, for which Linear Interpolation shall apply.

Spread

1.60 per cent. per annum.

Floating Rate Day Count Fraction

Act/365 (Fixed)

Reset Dates

In respect of each Calculation Period, the Interest Payment Date falling in such Calculation Period.

2. **Account Details**

Payments to Party A

Lloyds Bank plc, Corporate Markets, London
LOYDGB22 TSY
00001933 CHAPS 30-15-57
IBAN GB06LOYD30155700001933

Payments to Party B

Brass No.4 PLC Transaction Account
Bank: Nat West Bank, Bradford
S/C: 56-00-36
A/C No: 00127116

3. **Additional Provisions**

(a) **Monthly Information.**

For each Calculation Period, Party B shall procure that the Servicer or the Cash Manager provides to Party A, as Calculation Agent, within ten Business Days of the last day of such Calculation Period (or, if earlier, at least two Business Days before the Fixed Rate Payer Payment Date to which such Calculation Period relates), the following information (the "**Information**"):

- (i) the weighted average of the rates of interest charged to borrowers of Fixed Rate Loans (the "**Relevant Rate**");
- (ii) the Notional Amount in respect of the Transaction; and
- (iii) updated Mortgages Portfolio Data in respect of each Fixed Rate Loan in the Portfolio,

in each case, as at the last calendar day of such Calculation Period. The Calculation Agent shall determine the Fixed Amount and the Floating Amount based on the Information.

For the purposes of the above, "**Mortgages Portfolio Data**" means, in respect of a Fixed Rate Loan, the following data, as applicable: portfolio cut-off date; portfolio identifier; loan identifier; borrower identifier; property identifier; original balance; current balance; repayment method; payment frequency; interest rate type; current interest rate index; current interest rate; current interest rate margin; interest revision date 1; and number of months in arrears.

(b) **Incorrect Information.**

This paragraph 3(b) shall not apply to the extent that paragraphs 3(c) and (d) apply.

To the extent that Party B, the Servicer or the Cash Manager becomes aware that the Information in respect of any Fixed Rate Payer Payment Date or Floating Rate Payer Payment Date is inaccurate, and as a result of such inaccuracy a party received more or paid less on such Fixed Rate Payer Payment Date or Floating Rate Payer Payment Date, as applicable, than it would have received or paid, as applicable, had such Information been accurate, Party B shall, promptly after the relevant party becomes aware, procure that the Calculation Agent is notified of such Information and the relevant correction and Party A and/or Party B, as applicable, shall make a payment to the other party on the next Fixed Rate Payer Payment Date or Floating Rate Payer Payment Date, as applicable, such that the parties are put in the same economic position as if the relevant Information had been accurate for the purpose of calculating the relevant amounts hereunder.

For the avoidance of doubt, any payment made pursuant to this paragraph 3(b) shall be subject to netting in accordance with Section 2(c) of the Agreement.

(c) **Estimation.**

If any Information is not provided for any Calculation Period as required pursuant to paragraph 3(a), the Fixed Amount and the Floating Amount shall be calculated by the Calculation Agent (the "**Estimated Calculations**") on the basis that:

- (i) the Notional Amount is equal to the Notional Amount for the last Calculation Period for which Information was supplied as adjusted by the Adjustment Percentage Rate (as defined below); and
- (ii) the Relevant Rate is equal to the Relevant Rate for the last Calculation Period for which such Information was last supplied,

or on an alternative basis agreed between the parties.

"Adjustment Percentage Rate" means the product of: (x) the annualised adjustment percentage calculated by reference to the changes in amount between the three most recent Notional Amounts determined by the Calculation Agent on the basis of previous Information (or, if there are only two such previous Notional Amounts, those two Notional Amounts, and if there is only one such previous Notional Amount, 0 per cent.); and (y) the Floating Rate Day Count Fraction or Fixed Rate Day Count Fraction, as applicable.

(d) **Reconciliation.**

Where the Fixed Amount and the Floating Amount has been calculated in accordance with paragraph 3(c) above and, following such calculation, the required Information for that Calculation Period is provided to the Calculation Agent (the **"Delayed Information"**), the Calculation Agent shall re-calculate such Fixed Amount and/or Floating Amount, as applicable, by reference to such Delayed Information and Party A and/or Party B, as applicable, shall make a payment to the other party on the next Fixed Rate Payer Payment Date or Floating Rate Payer Payment Date such that the parties are put in the same economic position as if the Delayed Information had been available when the Estimated Calculations were made (each a **"Reconciliation Payment"**).

For the avoidance of doubt, any Reconciliation Payment payable by the parties pursuant to this paragraph 3(d) shall be subject to netting in accordance with Section 2(c) of the Agreement.

(e) **Calculation Agent.**

For the purpose of making any determination or calculation hereunder, where applicable, the Calculation Agent may rely on any information, report, notice or certificate delivered to it by the Servicer, Cash Manager or Party B, as applicable, and the Calculation Agent will not be liable for any error, incompleteness or omission regarding such information.

This Transaction has been entered into between yourselves and Lloyds Bank plc, which is authorised by the Prudential Regulation Authority and regulated by the Prudential Regulation Authority and Financial Conduct Authority.

Party A, trading as Lloyds Bank, executes all trades as principal. Information about the time of the Transaction can be supplied on request.

In the event that you disagree with any part of this Confirmation please telephone the sender so that the discrepancy may be quickly resolved. Please note that our telephone conversations with you may be recorded.

Address: Lloyds Bank plc
PO Box 545
Faryners House

25 Monument Street
London EC3R 8BQ

Attention: WMTT-IRPConfirmations
Telephone: 020 7158 6554/6557/6580
Fax: 020 7158 3298/3299
E-mail: WMTT-IRPConfirmations@Lloydsbanking.com

Please confirm that the foregoing correctly sets forth the terms of our agreement by signing a copy of this Confirmation.

Yours sincerely



Name: RICHARD INNES

Title: ASSOCIATE DIRECTOR

For and on behalf of

Lloyds Bank plc

Acknowledged and agreed by **Brass No.4 PLC** as of the Trade Date specified above.

Name:

Title:

For and on behalf of

Brass No.4 PLC

Please confirm that the foregoing correctly sets forth the terms of our agreement by signing a copy of this Confirmation.

Yours sincerely

Name:

Title:

For and on behalf of

Lloyds Bank plc

Acknowledged and agreed by **Brass No.4 PLC** as of the Trade Date specified above.

Name:

Title:

For and on behalf of

Brass No.4 PLC



Mark Filer
Director

ANNEX 1
Maximum Notional Amounts

Calculation Period Start Date	Calculation Period End Date	Relevant Payment Date	Maximum Notional Amount
27 October 2014	30 November 2014	16 December 2014	£1,267,412,999
01 December 2014	31 December 2014	16 January 2015	£1,267,412,999
01 January 2015	31 January 2015	16 February 2015	£1,267,412,999
01 February 2015	28 February 2015	16 March 2015	£1,267,412,999
01 March 2015	31 March 2015	16 April 2015	£1,267,412,999
01 April 2015	30 April 2015	16 May 2015	£1,267,412,999
01 May 2015	31 May 2015	16 June 2015	£1,267,412,999
01 June 2015	30 June 2015	16 July 2015	£1,267,412,999
01 July 2015	31 July 2015	16 August 2015	£1,267,412,999
01 August 2015	31 August 2015	16 September 2015	£1,267,412,999
01 September 2015	30 September 2015	16 October 2015	£1,266,422,123
01 October 2015	31 October 2015	16 November 2015	£1,255,821,216
01 November 2015	30 November 2015	16 December 2015	£1,249,220,951
01 December 2015	31 December 2015	16 January 2016	£1,216,524,658
01 January 2016	31 January 2016	16 February 2016	£1,209,736,180
01 February 2016	29 February 2016	16 March 2016	£1,147,813,573
01 March 2016	31 March 2016	16 April 2016	£1,143,401,655
01 April 2016	30 April 2016	16 May 2016	£1,134,227,854
01 May 2016	31 May 2016	16 June 2016	£1,107,724,152
01 June 2016	30 June 2016	16 July 2016	£997,210,261
01 July 2016	31 July 2016	16 August 2016	£999,673,465
01 August 2016	31 August 2016	16 September 2016	£996,328,323
01 September 2016	30 September 2016	16 October 2016	£966,191,327
01 October 2016	31 October 2016	16 November 2016	£963,346,547
01 November 2016	30 November 2016	16 December 2016	£956,985,176
01 December 2016	31 December 2016	16 January 2017	£946,337,878
01 January 2017	31 January 2017	16 February 2017	£940,705,271
01 February 2017	28 February 2017	16 March 2017	£927,165,973
01 March 2017	31 March 2017	16 April 2017	£922,835,526
01 April 2017	30 April 2017	16 May 2017	£878,717,450
01 May 2017	31 May 2017	16 June 2017	£857,233,375
01 June 2017	30 June 2017	16 July 2017	£798,390,644
01 July 2017	31 July 2017	16 August 2017	£797,650,324
01 August 2017	31 August 2017	16 September 2017	£775,729,143
01 September 2017	30 September 2017	16 October 2017	£770,266,928
01 October 2017	31 October 2017	16 November 2017	£765,867,668
01 November 2017	30 November 2017	16 December 2017	£759,924,074
01 December 2017	31 December 2017	16 January 2018	£719,265,219
01 January 2018	31 January 2018	16 February 2018	£713,057,045
01 February 2018	28 February 2018	16 March 2018	£695,667,828
01 March 2018	31 March 2018	16 April 2018	£688,835,433
01 April 2018	30 April 2018	16 May 2018	£681,970,163
01 May 2018	31 May 2018	16 June 2018	£647,718,921
01 June 2018	30 June 2018	16 July 2018	£616,964,992
01 July 2018	31 July 2018	16 August 2018	£608,227,962
01 August 2018	31 August 2018	16 September 2018	£595,089,103
01 September 2018	30 September 2018	16 October 2018	£583,316,340
01 October 2018	31 October 2018	16 November 2018	£573,078,904
01 November 2018	30 November 2018	16 December 2018	£567,658,657
01 December 2018	31 December 2018	16 January 2019	£551,325,447
01 January 2019	31 January 2019	16 February 2019	£546,713,631
01 February 2019	28 February 2019	16 March 2019	£506,608,864
01 March 2019	31 March 2019	16 April 2019	£503,829,321
01 April 2019	30 April 2019	16 May 2019	£492,300,544
01 May 2019	31 May 2019	16 June 2019	£409,537,690
01 June 2019	30 June 2019	16 July 2019	£358,707,255
01 July 2019	31 July 2019	16 August 2019	£357,057,695

01 August 2019	31 August 2019	16 September 2019	£326,203,319
01 September 2019	30 September 2019	16 October 2019	£312,634,798
01 October 2019	31 October 2019	16 November 2019	£311,205,699
01 November 2019	30 November 2019	16 December 2019	£310,404,975
01 December 2019	31 December 2019	16 January 2020	£308,189,110
01 January 2020	31 January 2020	16 February 2020	£307,523,591
01 February 2020	29 February 2020	16 March 2020	£303,765,741
01 March 2020	31 March 2020	16 April 2020	£303,292,577
01 April 2020	30 April 2020	16 May 2020	£302,766,553
01 May 2020	31 May 2020	16 June 2020	£293,656,873
01 June 2020	30 June 2020	16 July 2020	£286,722,237
01 July 2020	31 July 2020	16 August 2020	£286,281,046
01 August 2020	31 August 2020	16 September 2020	£283,527,149
01 September 2020	30 September 2020	16 October 2020	£281,322,559
01 October 2020	31 October 2020	16 November 2020	£279,239,479
01 November 2020	30 November 2020	16 December 2020	£278,687,970
01 December 2020	31 December 2020	16 January 2021	£272,589,706
01 January 2021	31 January 2021	16 February 2021	£272,048,844
01 February 2021	28 February 2021	16 March 2021	£180,228,082
01 March 2021	31 March 2021	16 April 2021	£128,898,694
01 April 2021	30 April 2021	16 May 2021	£128,322,444
01 May 2021	31 May 2021	16 June 2021	£124,734,904
01 June 2021	30 June 2021	16 July 2021	£111,636,628
01 July 2021	31 July 2021	16 August 2021	£111,034,639
01 August 2021	31 August 2021	16 September 2021	£110,275,700
01 September 2021	30 September 2021	16 October 2021	£108,594,182
01 October 2021	31 October 2021	16 November 2021	£108,061,283
01 November 2021	30 November 2021	16 December 2021	£105,817,398
01 December 2021	31 December 2021	16 January 2022	£105,669,877
01 January 2022	31 January 2022	16 February 2022	£96,224,384
01 February 2022	28 February 2022	16 March 2022	£91,578,997
01 March 2022	31 March 2022	16 April 2022	£78,021,252
01 April 2022	30 April 2022	16 May 2022	£77,862,093
01 May 2022	31 May 2022	16 June 2022	£73,085,520
01 June 2022	30 June 2022	16 July 2022	£72,239,694
01 July 2022	31 July 2022	16 August 2022	£71,922,272
01 August 2022	31 August 2022	16 September 2022	£71,710,269
01 September 2022	30 September 2022	16 October 2022	£70,260,306
01 October 2022	31 October 2022	16 November 2022	£70,112,486
01 November 2022	30 November 2022	16 December 2022	£67,617,833
01 December 2022	31 December 2022	16 January 2023	£67,498,826
01 January 2023	31 January 2023	16 February 2023	£67,341,034
01 February 2023	28 February 2023	16 March 2023	£61,024,858
01 March 2023	31 March 2023	16 April 2023	£56,110,255
01 April 2023	30 April 2023	16 May 2023	£56,013,270
01 May 2023	31 May 2023	16 June 2023	£54,278,621
01 June 2023	30 June 2023	16 July 2023	£52,954,094
01 July 2023	31 July 2023	16 August 2023	£51,790,097
01 August 2023	31 August 2023	16 September 2023	£51,625,059
01 September 2023	30 September 2023	16 October 2023	£48,837,577
01 October 2023	31 October 2023	16 November 2023	£48,718,431
01 November 2023	30 November 2023	16 December 2023	£39,287,334
01 December 2023	31 December 2023	16 January 2024	£39,250,282
01 January 2024	31 January 2024	16 February 2024	£37,366,457
01 February 2024	29 February 2024	16 March 2024	£16,061,640
01 March 2024	31 March 2024	16 April 2024	£4,142,937
01 April 2024	30 April 2024	16 May 2024	£4,074,855
01 May 2024	31 May 2024	16 June 2024	£3,040,435
01 June 2024	30 June 2024	16 July 2024	£0
01 July 2024	31 July 2024	16 August 2024	£0
01 August 2024	31 August 2024	16 September 2024	£0