

25 September 2017

VIRGIN MONEY PLC

(as *Seller*, as a *Beneficiary* and as an *All Monies Mortgage Trust Beneficiary*)

GOSFORTH FUNDING 2017-1 PLC

(as *Issuer* and as a *Beneficiary*)

GOSFORTH MORTGAGES TRUSTEE 2017-1 LIMITED

(as an *All Monies Mortgage Trust Beneficiary*)

BENEFICIARIES DEED



Freshfields Bruckhaus Deringer

Freshfields Bruckhaus Deringer LLP
65 Fleet Street
London EC4Y 1HS

CONTENTS

Clause	Page
1. DEFINITIONS AND INTERPRETATION	2
2. DISPOSAL OF THE TRUST PROPERTY BY THE MORTGAGES TRUSTEE	2
3. EARLY TERMINATION OF MORTGAGES TRUST	2
4. EARLY TERMINATION OF ALL MONIES MORTGAGE TRUST	3
5. COVENANTS	3
6. NO OTHER REACQUISITION OF MORTGAGE LOANS	3
7. EFFECT OF PAYMENT OF REACQUISITION AMOUNTS	3
8. NETTING OF PAYMENTS.....	4
9. THE MORTGAGE TRUST DEED AND THE MORTGAGE SALE AGREEMENT	4
10. FURTHER ASSURANCE.....	4
11. PARTIAL INVALIDITY	4
12. NO PARTNERSHIP OR AGENCY	5
13. CONFIDENTIALITY	5
14. ENTIRE AGREEMENT.....	6
15. OBLIGATIONS AS CORPORATE OBLIGATIONS	6
16. CONTINUATION OF OBLIGATIONS	7
17. AMENDMENTS	7
18. WAIVERS	7
19. ASSIGNMENT AND SUBCONTRACTING.....	7
20. THIRD PARTY TRANSACTION RIGHTS.....	7
21. SEVERABILITY	8
22. NOTICES.....	8
23. COUNTERPARTS	9
24. GOVERNING LAW.....	9
25. JURISDICTION	9
26. EXECUTION.....	10

THIS BENEFICIARIES DEED is made on 25 September 2017 as a Deed

BY AND BETWEEN:

- (1) **VIRGIN MONEY PLC** (*Virgin Money*) a public limited company incorporated under the laws of England and Wales (registered number 6952311) whose registered office is Jubilee House, Gosforth, Newcastle-upon-Tyne NE3 4PL, in its capacity as seller of the Mortgage Loans (the ***Seller***), in its capacity as a beneficiary of the Mortgages Trust (in such capacity, a ***Beneficiary***), in its capacity as a beneficiary of the All Monies Mortgage Trust (in such capacity, an ***All Monies Mortgage Trust Beneficiary***);
- (2) **GOSFORTH FUNDING 2017-1 PLC** (registered number 10887005) a public limited company incorporated under the laws of England and Wales, whose registered office is at Fifth Floor, 100 Wood Street, London EC2V 7EX, in its capacity as issuer of the Notes (in such capacity, the ***Issuer***), in its capacity as a beneficiary of the Mortgages Trust (in such capacity, a ***Beneficiary*** and, together with the Seller in its capacity as a beneficiary of the Mortgages Trust, the ***Beneficiaries***); and
- (3) **GOSFORTH MORTGAGES TRUSTEE 2017-1 LIMITED** (registered number 10887043) a private limited company incorporated under the laws of England and Wales whose registered office is at Fifth Floor, 100 Wood Street, London EC2V 7EX, in its capacity as a beneficiary of the All Monies Mortgage Trust (in such capacity, an ***All Monies Mortgage Trust Beneficiary*** and, together with the Seller in its capacity as a beneficiary of the All Monies Mortgage Trust, the ***All Monies Mortgage Trust Beneficiaries***) and not, for the avoidance of doubt, in its capacity as the Mortgages Trustee.

WHEREAS:

- (A) The parties hereto are *inter alios* parties to a mortgages trust deed, dated on or about the date hereof, as amended, restated and supplemented from time to time (the ***Mortgages Trust Deed***) pursuant to which, inter alia, the Mortgages Trust was constituted and the Mortgages Trustee holds all Trust Property on trust for the Beneficiaries.
- (B) The parties hereto are *inter alios* parties to a mortgage sale agreement, dated on or about the date hereof, as amended, restated and supplemented from time to time (the ***Mortgage Sale Agreement***) pursuant to which, inter alia, the All Monies Mortgage Trust was constituted and the All Monies Mortgage Trustee holds all All Monies Mortgage Trust Property on trust for the All Monies Mortgage Trust Beneficiaries.
- (C) This Deed sets out certain agreements between the parties regarding matters in relation to which, pursuant to the terms and conditions of the Mortgages Trust Deed and the Mortgage Sale Agreement, any authorisation, direction, consent, waiver or any other act is needed to be given by a Beneficiary or an All Monies Mortgage Trust Beneficiary, as applicable (whether acting on its own or acting together with the other Beneficiary or All Monies Mortgage Trust Beneficiary, as applicable).

- (D) The Seller and the Issuer intend that this Deed shall be without prejudice to their joint absolute beneficial entitlement to the Trust Property as set out in the Mortgages Trust Deed (as against the Mortgages Trustee). The Seller and Gosforth Mortgages Trustee 2017-1 Limited intend that this Deed shall be without prejudice to their joint absolute beneficial entitlement to the All Monies Mortgage Trust Property as set out in the Mortgage Sale Agreement (as against the All Monies Mortgage Trustee).

NOW IT IS HEREBY AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

The Master Definitions and Construction Schedule signed for the purposes of identification by Clifford Chance LLP and Freshfields Bruckhaus Deringer LLP on the date of this Agreement is expressly and specifically incorporated into this Agreement and, accordingly, the expressions defined in the Master Definitions and Construction Schedule shall, except where the context otherwise requires and save where otherwise defined herein, have the same meanings in this Agreement, including the recitals hereto, and this Agreement shall be construed in accordance with the interpretation provisions set out in clause 2 (*Principles of Interpretation and Construction*) of that Master Definitions and Construction Schedule. In the event of a conflict between the Master Definitions and Construction Schedule and this Agreement, this Agreement shall prevail.

2. DISPOSAL OF THE TRUST PROPERTY BY THE MORTGAGES TRUSTEE

At any time after the date on which the aggregate Sterling Equivalent Principal Amount Outstanding of the Notes is less than 10 per cent. of the aggregate Principal Amount Outstanding of the Notes as at the Closing Date, the Issuer, in accordance with Condition 5(E) (*Optional Redemption in Full*), may direct the Mortgages Trustee to sell, assign, transfer, convey, charge, create a beneficial interest in, or otherwise dispose of some or all the Trust Property. The Beneficiaries hereby agree that, upon such election by the Issuer, they will jointly direct the Mortgages Trustee to sell, assign, transfer, convey, charge, create a beneficial interest in, or otherwise dispose of some or all the Trust Property.

3. EARLY TERMINATION OF MORTGAGES TRUST

The Beneficiaries hereby agree and jointly direct that prior to its termination in accordance with clause 23 (*Termination*) of the Mortgages Trust Deed, the Mortgages Trust may be terminated at the option of the Seller, following a request in writing by the Seller to the Mortgages Trustee (which shall be copied to the Issuer and the Trust Property Cash Manager) at any time on or after the date on which all of the Notes have been repaid in full or there is no further claim under any Secured Obligations and/or the Issuer Share of the Trust Property is reduced to zero or such other date as may be agreed in writing between the Mortgages Trustee, the Issuer and the Seller.

4. EARLY TERMINATION OF ALL MONIES MORTGAGE TRUST

The All Monies Mortgage Trust Beneficiaries hereby agree and jointly direct that prior to its termination in accordance with clause 10.8 (*Termination*) of the Mortgage Sale Agreement, the All Monies Mortgage Trust shall be terminated, following a request in writing by the Seller to the Mortgages Trustee (which shall be copied to the Issuer and the Trust Property Cash Manager) to terminate the Mortgages Trust in accordance with Clause 3 (*Early Termination of the Mortgages Trust*) above.

5. COVENANTS

- 5.1 The Beneficiaries covenant that, for so long as any of the Notes remain outstanding, they shall not call for the transfer to them (in their capacity as such) or to any third party of the legal title to all or any of the Trust Property or the winding up of the Mortgages Trust, save as contemplated in this Deed, or the Transaction Documents.
- 5.2 The All Monies Mortgage Trust Beneficiaries covenant that, for so long as any of the Notes remain outstanding, they shall not call for the transfer to them (in their capacity as such) or to any third party of the legal title to all or any of the All Monies Mortgage Trust Property or the winding up of the All Monies Mortgage Trust, save as contemplated in this Deed or the Transaction Documents.
- 5.3 Virgin Money in its capacity as a Beneficiary covenants that, in the event that an alternative successor Administrator falls to be appointed in circumstances contemplated by clause 17.3 of the Administration Agreement, it will consent to and/or vote in favour of any proposed request or direction of the Issuer (acting reasonably) in relation to the appointment of such alternative successor Administrator in accordance with the terms of the Administration Agreement.

6. NO OTHER REACQUISITION OF MORTGAGE LOANS

Save as provided in clause 5 (*Removals from the Trust Property; Borrow-backs; Seller Cash Contributions*) of the Mortgages Trust Deed, the parties to this Deed agree the Seller is not obliged, nor shall it be obliged, (as between any of such parties in their capacities referred to herein) to reacquire the beneficial interest in any Mortgage Loan.

7. EFFECT OF PAYMENT OF REACQUISITION AMOUNTS

- 7.1 After any joint surrender by each of the Beneficiaries of their respective undivided interests in the Mortgage Loans in accordance with clause 5 (*Removals from the Trust Property; Borrow-backs; Seller Cash Contributions*) of the Mortgages Trust Deed:
 - (a) any contractual or other obligations of the Mortgages Trustee to any other person (apart from the Seller) under the terms of the Mortgages Trust with respect to the Mortgage Loans, except for any accrued and unpaid payment obligations owed by Mortgages Trustee to any other person; and

- (b) any other provisions of the Mortgages Trust with respect to the Mortgage Loans, shall thereupon cease to apply, and the Mortgages Trustee shall by notice in writing to the Seller re-assign and re-transfer to the Seller and the Seller shall then accept an assignment and re-transfer of its Assigned Rights in relation to the Mortgage Loans, and the Seller shall thereafter hold full legal and beneficial ownership of the Mortgage Loans free and clear of all of the provisions of the Mortgages Trust.

8. NETTING OF PAYMENTS

8.1 The parties to this Deed in their respective capacities as Seller, Issuer, Beneficiaries and as All Monies Mortgage Trust Beneficiaries (but not in any other capacity in which they may act under other any Transaction Document) agree that any amounts that:

- (a) the Seller is obliged to transfer or pay to the Issuer or the Mortgages Trustee may be set-off against any amounts that the Issuer or the Mortgages Trustee is obliged to transfer or pay to the Seller;
- (b) the Issuer is obliged to transfer or pay to the Seller or the Mortgages Trustee may be set-off against any amounts that the Seller or the Mortgages Trustee is obliged to transfer or pay to the Issuer; and
- (c) the Mortgages Trustee is obliged to transfer or pay to the Issuer or the Seller may be set-off against any amounts that the Issuer or the Seller is obliged to transfer or pay to the Mortgages Trustee,

and to the extent of the amount set-off such obligations will be fully satisfied.

9. THE MORTGAGE TRUST DEED AND THE MORTGAGE SALE AGREEMENT

The Parties to this Deed agree that none of the provisions of this Deed shall be treated for any purpose as forming part of the provisions of the Mortgages Trust Deed or the Mortgage Sale Agreement or otherwise forming part of the terms of the Mortgages Trust or the All Monies Mortgage Trust.

10. FURTHER ASSURANCE

Each of the Parties shall (at its own cost) do and execute, or arrange for the doing and executing of, each act, document and thing requested of it by any other Party in order to implement and/or give effect to the terms of this Deed and the Transaction contemplated by it.

11. PARTIAL INVALIDITY

The invalidity, illegality or unenforceability of a provision of this Deed does not affect or impair the continuation in force of the remainder of this Deed.

12. NO PARTNERSHIP OR AGENCY

Nothing in this Deed shall be taken to constitute or create a partnership between any of the parties to this Deed or to make or appoint the Seller the agent of the Issuer (or *vice versa*).

13. CONFIDENTIALITY

Each party to this Deed agrees at all times, including after the Final Discharge Date, that it shall keep confidential and will not disclose to any person, firm or company whatsoever any information relating to the business, finances or other matters of a confidential nature of any party to the Transaction Documents, which it may have obtained as a result of the execution or performance of any Transaction Document, **provided however that** the provisions of this Clause 13 (*Confidentiality*) shall not apply:

- (a) to the disclosure of any information to the Security Trustee or the Note Trustee or to any other person who is a party to any of the Transaction Documents as expressly permitted by the Transaction Documents;
- (b) to the disclosure of any information by such party to any of its Affiliates, provided that, before any such disclosure, the party shall make the relevant employees of the Affiliate aware of their obligations of confidentiality under the relevant Transaction Document and shall at all times procure compliance with such obligations by such employees;
- (c) to the disclosure of any information which is or becomes public knowledge otherwise than as a result of the wrongful conduct of the recipient;
- (d) to the extent that such disclosure is required pursuant to any law or order of any court or pursuant to any direction or requirement (whether or not having the force of law) of any central bank or any governmental or other regulatory or taxation authority including any industry guidelines or industry best practice adopted by issuers of residential mortgage backed securities;
- (e) to the disclosure of any information to professional advisers (including, without prejudice to the generality of the foregoing, consultants, auditors or lawyers) who receive the same under a duty of confidentiality;
- (f) to the disclosure of any information with the consent of the parties hereto;
- (g) to the disclosure to the Rating Agencies (or any of them) of such information as may be requested by any of them for the purposes of setting or reviewing the rating assigned to the Notes (or any of them) and the corresponding disclosure of such information to those persons who are entitled to view the 17g-5 Information Provider's Website;
- (h) to any disclosure for the purposes of collecting in or enforcing the Trust Property or any of it;

- (i) in the case of the Security Trustee or the Note Trustee, in connection with transferring or purporting to transfer its rights and obligations to a successor Security Trustee or Note Trustee, respectively;
- (j) to the extent that the recipient needs to disclose the same to any of the employees of the Seller, provided that, before any such disclosure the Seller shall make the relevant employees of the Seller aware of its obligations of confidentiality under the relevant Transaction Document and shall at all times procure compliance with such obligations by such employees; and
- (k) to the extent that the recipient needs to disclose the same for the exercise, protection or enforcement of any of its rights under any of the Transaction Documents.

14. ENTIRE AGREEMENT

14.1 This Deed and the schedules together constitute the entire agreement and understanding between the parties in relation to the subject matter of this Deed and cancel and replace any other agreement or understanding in relation to such subject matter.

14.2 Each party to this Deed agrees that:

- (a) it has not entered into this Deed in reliance upon any representation, warranty or undertaking of any other party which is not expressly set out or referred to in this Deed; and
- (b) except in respect of an express representation or warranty under any of the Transaction Documents, it shall not have any claim or remedy (whether in equity, contract or tort, under the Misrepresentation Act 1967 or in any other way) in respect of any misrepresentation or breach of warranty by any other party or in respect of any untrue statement by any other party, regardless of whether such misrepresentation, breach or untrue statement was made, occurred or was given prior to the execution of any of the Transaction Documents.

14.3 This Clause 14 (*Entire Agreement*) shall not exclude any liability for fraudulent misrepresentation.

14.4 Nothing in this Clause shall have the effect of limiting or restricting any liability of a Transaction Party arising as a result of any wilful default, fraud, illegal dealing, negligence or material breach of this Deed or breach of trust by such person.

15. OBLIGATIONS AS CORPORATE OBLIGATIONS

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

16. CONTINUATION OF OBLIGATIONS

Except to the extent that they have been performed and except where specifically provided otherwise, the warranties, representations, indemnities, and obligations contained in this Deed remain in force from the date on which they were expressed to take effect and thereafter until the Final Discharge Date.

17. AMENDMENTS

No amendment or waiver of any provision of this Deed nor consent to any departure by any of the parties therefrom shall in any event be effective unless the same shall be in writing and signed by each of the parties hereto. In the case of a waiver or consent, such waiver or consent shall be effective only in the specific instance and as against the party or parties giving it for the specific purpose for which it is given.

18. WAIVERS

The respective rights of each of the parties to this Deed are cumulative and may be exercised as often as each considers appropriate and are in addition to their respective rights under the general law. No failure on the part of any party to exercise, and no delay in exercising, any right hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right preclude any other or further exercise thereof or the exercise of any other right. The remedies in this Deed are cumulative and not exclusive of any remedies provided by law.

19. ASSIGNMENT AND SUBCONTRACTING

- 19.1 This Deed shall be binding upon and enure to the benefit of each Party which is a party to it or is otherwise bound by its terms and its or any subsequent successors, transferees and assigns.
- 19.2 Subject to the terms of the Deed of Charge, no Party may assign or transfer or purport to assign or transfer a right or obligation under this Deed or the Mortgages Trust Deed.
- 19.3 Each Party is entering into each this Deed for its benefit and not for the benefit of another person.
- 19.4 Except where this Deed specifically provides otherwise, a Party may not subcontract or delegate the performance of any of its obligations under this Deed.

20. THIRD PARTY TRANSACTION RIGHTS

A person who is not a party to this Deed may not enforce any of its terms under the Contracts (Rights of Third Parties) Act 1999, but this shall not affect any right or remedy of a third party which exists or is available apart from that Act.

21. SEVERABILITY

Where any provision in or obligation under this Deed shall be invalid, illegal or unenforceable in any jurisdiction, the validity, legality and enforceability of the remaining provisions or obligations under this Deed, or of such provision or obligation in any other jurisdiction, shall not be affected or impaired thereby.

22. NOTICES

22.1 Any Notice to be delivered under this Deed:

- (a) shall be in writing;
- (b) shall be in the English language or accompanied by a translation thereof into English certified (by an officer of the person making or delivering the same) as being a true and accurate translation thereof; and
- (c) shall be delivered personally or sent by first class post pre-paid recorded delivery (and air mail if overseas) or, where applicable, by fax to:

- (i) In the case of the Seller as a Beneficiary:

Address: Virgin Money plc
Jubilee House
Gosforth
Newcastle-upon-Tyne NE34PL
Fax: +44 (0)191 279 4747

Attention: Company Secretary

- (ii) In the case of the Issuer as a Beneficiary:

Address: Gosforth Funding 2017-1 plc
c/o Law Debenture Corporate Services Limited
Fifth Floor
100 Wood Street
London EC2V 7EX
Fax: +44 (0)20 7606 0643

Attention: The Directors

and a copy to the Seller (as above)

or to another address or fax number or marked for the attention of another person or persons specified by the receiving party by not less than seven days' written notice to the other Party received before the Notice was despatched.

22.2 Unless there is evidence that it was received earlier, a Notice marked for the attention of the person specified in accordance with Clause 22.1 is deemed given:

- (a) if delivered personally, when left at the relevant address referred to in the Notices Details;
- (b) if sent by post, except air mail, two business days after posting it;
- (c) if sent by air mail, six business days after posting it; and
- (d) if sent by fax, on completion of its transmission.

22.3 In Clause 22.2(b) ***business day*** means a day other than a Saturday, Sunday or public holiday in either the country from which the Notice is sent or in the country to which the Notice is sent.

23. COUNTERPARTS

This Deed may be executed in any number of counterparts (manually or by facsimile or by electronic transmission), all of which taken together shall constitute one and the same instrument.

24. GOVERNING LAW

This Deed and any non-contractual obligation arising out of or in relation to this Deed shall be governed by, and interpreted in accordance with, English law.

25. JURISDICTION

Submission to jurisdiction

25.1 Each party agrees that the English courts (except if otherwise set out in this Deed) shall have exclusive jurisdiction in relation to all disputes arising out of or in connection with this Deed (including claims for set-off and counterclaims), including, without limitation, disputes arising out of or in connection with: (a) the creation, validity, effect, interpretation, performance or non-performance of, or the legal relationships established by, this Deed; and (b) any non-contractual obligation arising out of or in connection with this Deed. For such purposes each party irrevocably submits to the jurisdiction of the English courts and waives any objection to the exercise of such jurisdiction.

Inconvenient forum and enforcement abroad

25.2 Each party:

- (a) waives any objection to the choice of or submission to the English courts on the grounds of inconvenient forum or otherwise as regards proceedings in connection with this Deed or any non-contractual obligation arising out of or in connection with this Deed; and
- (b) agrees that a judgment, declaration or order (whether interim or final) of an English court in connection with this Deed or any non-contractual obligation arising out of or in connection with this Deed is conclusive and binding on it and may be enforced against it in the courts of any other jurisdiction.

26. EXECUTION

The Parties have executed this Deed on the date stated at the beginning of this Agreement.

IN WITNESS WHEREOF this Deed has been entered into, and the parties hereto intend to deliver, and do deliver, this Deed on the date stated at the beginning of this Deed as follows:

EXECUTED as a **DEED** by)
GOSFORTH FUNDING 2017-1 PLC)
 acting in its capacity as Issuer and as a)
 Beneficiary)

 Signature of director

 Name of director

)
)
)
)

 Signature of director/secretary

 Name of director/secretary

EXECUTED as a **DEED** by)
GOSFORTH MORTGAGES)
TRUSTEE 2017-1 LIMITED)
 acting in its capacity as an All Monies)
 Mortgage Trust Beneficiary)

 Signature of director

 Name of director

)
)
)
)

 Signature of director/secretary

 Name of director/secretary

EXECUTED as a **DEED** by)
VIRGIN MONEY PLC)
acting in its capacity as Seller,)
as a Beneficiary and as an All Monies)
Mortgage Trust Beneficiary)

Signature of Authorised Signatory

Name of Authorised Signatory

Signature of witness

Name of witness

Address of witness

Occupation of witness