

RNS Number : 7147W

Southern Pacific Securities05-2 PLC

11 November 2014

IMPORTANT NOTICE

You must read this notice before continuing: This notice applies to the attached memorandum (this "**Consent Solicitation Memorandum**"), whether received by e-mail, accessed from an internet page or otherwise received as a result of electronic communication, and you are advised to read this notice carefully before reading, accessing or making any other use of this Consent Solicitation Memorandum. In reading, accessing or making any other use of this Consent Solicitation Memorandum, you agree to be bound by the following terms and conditions and each of the restrictions set out in this Consent Solicitation Memorandum, including any modifications to them from time to time, each time you receive any information from the Tabulation Agent, the Issuer, the Liquidity Facility Provider, the Paying Agents or the Trustee as a result of such access.

Confirmation of your representation:

YOU ARE REMINDED THAT YOU HAVE BEEN SENT THIS CONSENT SOLICITATION MEMORANDUM ON THE BASIS THAT (I) YOU ARE A HOLDER OR A CUSTODIAN OR INTERMEDIARY ACTING ON BEHALF OF A BENEFICIAL HOLDER OR A BENEFICIAL OWNER OF THE CLASS B1a €26,000,000 MORTGAGE BACKED FLOATING RATE NOTES DUE 2043 (THE "**CLASS B1a NOTES**"), THE CLASS B1c £17,700,000 MORTGAGE BACKED FLOATING RATE NOTES DUE 2043 (THE "**CLASS B1c NOTES**"), THE CLASS C1a €22,000,000 MORTGAGE BACKED FLOATING RATE NOTES DUE 2043 (THE "**CLASS C1a NOTES**"), THE CLASS C1c £7,750,000 MORTGAGE BACKED FLOATING RATE NOTES DUE 2043 (THE "**CLASS C1c NOTES**"), THE CLASS D1a €25,800,000 MORTGAGE BACKED FLOATING RATE NOTES DUE 2043 (THE "**CLASS D1a NOTES**"), THE CLASS E1c £6,375,000 MORTGAGE BACKED FLOATING RATE NOTES DUE 2043 (THE "**CLASS E1c NOTES**" AND TOGETHER WITH THE CLASS B1a NOTES, THE CLASS B1c NOTES, THE CLASS C1a NOTES, CLASS C1c NOTES AND THE CLASS D1a NOTES, THE "**EXISTING NOTES**") EACH ISSUED BY SOUTHERN PACIFIC SECURITIES 05-2 PLC, (II) YOU ARE A PERSON TO WHOM IT IS LAWFUL TO SEND THIS CONSENT SOLICITATION MEMORANDUM UNDER ALL APPLICABLE LAWS, AND (III) YOU CONSENT TO DELIVERY BY ELECTRONIC TRANSMISSION.

This Consent Solicitation Memorandum has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of transmission and consequently none of the Trustee, the Principal Paying Agent, the U.S Paying Agent, the Irish Paying Agent, the Tabulation Agent, the Issuer, the Liquidity Facility Provider or any person who controls or is a director, officer, employee or agent of any of the Trustee, the Principal Paying Agent, the U.S Paying Agent, the Irish Paying Agent, the Tabulation Agent, the Issuer, the Liquidity Facility Provider or any affiliate of any such person accepts any liability or responsibility whatsoever in respect of any difference between this Consent Solicitation Memorandum and the hard copy version available for inspection at the office of the Issuer.

You are reminded that this Consent Solicitation Memorandum has been delivered to you on the basis that you are a person into whose possession this Consent Solicitation Memorandum may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not nor are you authorised to deliver this Consent Solicitation Memorandum to any other person except to purchasers/transferees to whom the Existing Notes have been sold/transferred

and provided that such delivery is lawful.

Nothing in this electronic transmission constitutes an offer to buy or the solicitation of an offer to sell any securities in any jurisdiction.

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to the action you should take, you are recommended to seek your own financial advice immediately from your stockbroker, bank manager, solicitor, accountant or other financial, legal or tax adviser authorised under the Financial Services and Markets Act 2000 (if you are in the United Kingdom), or from another appropriately authorised independent financial adviser (if you are not) and such other professional advice from your own professional advisors as you deem necessary.

If you have recently sold or otherwise transferred your entire holding(s) of Existing Notes referred to below, you should immediately forward this document to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee.

The distribution of this Consent Solicitation Memorandum in certain jurisdictions may be restricted by law and persons into whose possession this Consent Solicitation Memorandum comes are requested to inform themselves about, and to observe, any such restrictions.

Southern Pacific Securities 05-2 PLC

(a public company with limited liability incorporated in England and Wales with registered number 5456430)

(the "Issuer")

Class B1a €26,000,000 Mortgage Backed Floating Rate Notes due 2043

ISIN: XS0225861490, US84359XAG34; CUSIP: 84359XAG3

Class B1c £17,700,000 Mortgage Backed Floating Rate Notes due 2043

ISIN: XS0225862894, US84359XAJ72; CUSIP: 84359XAJ7

Class C1a €22,000,000 Mortgage Backed Floating Rate Notes due 2043

ISIN: XS0225865483, US84359XAK46; CUSIP: 84359XAK4

Class C1c £7,750,000 Mortgage Backed Floating Rate Notes due 2043

ISIN: XS0225876688, US84359XAM02; CUSIP: 84359XAM0

Class D1a €25,800,000 Mortgage Backed Floating Rate Notes due 2043

ISIN: XS0225877652, US84359XAN84; CUSIP: 84359XAN8

Class E1c £6,375,000 Mortgage Backed Floating Rate Notes due 2043

ISIN: XS0225879278

(together, the "**Existing Notes**")

CONSENT SOLICITATION MEMORANDUM

in relation to

a proposal for amendments to the Liquidity Facility Agreement signed by, among others, the Issuer dated 10 August 2005 (as amended, amended and restated, varied or novated from time to time) (the "Liquidity Facility Agreement")

Capitalised terms used but not defined in this Consent Solicitation Memorandum (see Section 6 (*Definitions*)) shall, unless the context otherwise requires, have the meanings set out in:

- (i) the master definitions schedule signed by, amongst others, the Issuer dated 10 August 2005 (the "**Master Definitions Schedule**");
- (ii) the trust deed signed by, amongst others, the Issuer dated 10 August 2005 (the "**Trust Deed**");
- (iii) the terms and conditions of the Notes as set out in Schedule 2 Part 5 to the Trust Deed (the "**Terms and Conditions**"); and/or
- (iv) the Liquidity Facility Agreement,

as the case may be.

The Issuer has been requested by Lloyds Bank plc (the "**Liquidity Facility Provider**"), at the Liquidity Facility Provider's cost, to put to the holders of the Existing Notes (the "**Noteholders**" or "**Existing Noteholders**") a request to agree to certain amendments to the Liquidity Facility Agreement (the "**Proposed Amendments**"). The Proposed Amendments are summarised in Section 1 (*Proposed Amendments*) below.

The Proposed Amendments are set out in full in the Amendment Deeds, copies of which are

available from the Issuer. Noteholders are encouraged to read the Amendment Deeds.

A notice to the Existing Noteholders convening meetings (the "**Meetings Notice**") to be held at the offices of Reed Smith LLP, The Broadgate Tower, 20 Primrose Street, London EC2A 2RS on 5 December 2014 is set out in Section 5 (*Form of Meetings Notice and Extraordinary Resolutions*). The Meetings Notice was published in accordance with the Terms and Conditions on the date of this Consent Solicitation Memorandum.

The Meetings Notice sets out the Extraordinary Resolutions which will be proposed at the Meetings in relation to the Proposed Amendments and the procedure for voting at the Meetings. The First Extraordinary Resolution relates to the First Proposed Amendments and the Second Extraordinary Resolution relates to the Second Proposed Amendments.

A description of the action to be taken by Noteholders in connection with the Proposed Amendments is set out in Section 3 (*Voting and Meeting*) and Section 5 (*Form of Meetings Notice and Extraordinary Resolutions*) below.

In accordance with normal practice, the Tabulation Agent, the Trustee, the Issuer, the Cash/Bond Administrator and the Paying Agents (and their respective advisors) have not been involved in the formulation of the Proposed Amendments and express no views or opinions on the merits of the Proposed Amendments or the Extraordinary Resolutions. Neither the Trustee nor the Issuer has any objection to the Proposed Amendments and the Extraordinary Resolutions being put to Noteholders for their consideration. The Trustee, the Issuer, the Cash/Bond Administrator, the Tabulation Agent and the Paying Agents (and their respective advisors) are not responsible for the accuracy, sufficiency, relevance, completeness, validity, correctness or otherwise of the statements made in this Consent Solicitation Memorandum or otherwise disclosed or to be disclosed to Noteholders and in particular relating to costs, savings or expenses of the Issuer in connection with the Proposed Amendments and the Extraordinary Resolutions and make no representation that all relevant information has been disclosed to the Noteholders in or pursuant to this Consent Solicitation Memorandum and the Meeting Notice. None of the Issuer, the Cash/Bond Administrator or the Trustee (or any of their respective advisors) accepts any liability in relation to the Proposed Amendments or the matters set out in this Consent Solicitation Memorandum.

Noteholders should take their own independent advice on the merits and on the consequences of voting in favour of the Proposed Amendments. A discussion of certain factors, which should be considered in connection with the delivery of voting instructions, is set out under "*Special Considerations*" in Section 4 below.

If Noteholders have any questions regarding the Proposed Amendments or voting in relation to the Extraordinary Resolutions, they should contact the Tabulation Agent, the contact details for which are below.

Lucid Issuer Services Limited

Contact: Victor Parzyjagla

Telephone: +44 (0) 20 7704 0880

Email: sps@lucid-is.com

THIS DOCUMENT CONTAINS IMPORTANT INFORMATION WHICH EACH NOTEHOLDER SHOULD READ BEFORE MAKING A DECISION WITH RESPECT TO THE PROPOSED

AMENDMENTS.

THIS DOCUMENT HAS NOT BEEN FILED WITH OR REVIEWED BY ANY SECURITIES COMMISSION OR REGULATORY AUTHORITY, NOR HAS ANY COMMISSION OR AUTHORITY PASSED UPON THE ACCURACY OR ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL AND MAY BE A CRIMINAL OFFENCE.

IN PARTICULAR, YOUR ATTENTION IS DRAWN TO SECTION 4 (*SPECIAL CONSIDERATIONS*) WHICH SETS OUT A DISCUSSION OF CERTAIN IMPORTANT FACTORS WHICH SHOULD BE CONSIDERED IN CONNECTION WITH THE DELIVERY OF VOTING INSTRUCTIONS. IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR OWN INDEPENDENT PROFESSIONAL FINANCIAL OR LEGAL OR TAX ADVISER IMMEDIATELY. NOTEHOLDERS SHOULD REACH AN INDEPENDENT DECISION ON THE PROPOSED AMENDMENTS SET OUT IN THIS CONSENT SOLICITATION MEMORANDUM. NOTHING IN THIS CONSENT SOLICITATION MEMORANDUM OR ANYTHING COMMUNICATED TO THE NOTEHOLDERS BY OR ON BEHALF OF THE TABULATION AGENT, THE ISSUER, THE PAYING AGENTS, THE LIQUIDITY FACILITY PROVIDER OR THE TRUSTEE OR ANY OF THEIR RESPECTIVE DIRECTORS OR EMPLOYEES IN CONNECTION WITH THE PROPOSED AMENDMENTS IS INTENDED TO CONSTITUTE OR SHOULD BE CONSTRUED AS ADVICE ON THE MERITS OF THE PROPOSED AMENDMENTS OR THE EXERCISE OF ANY RIGHTS ATTACHING TO THE EXISTING NOTES.

THE PROPOSED AMENDMENTS ARE NOT BEING MADE TO NOTEHOLDERS IN ANY JURISDICTION IN WHICH SUCH PROPOSED AMENDMENTS WOULD NOT BE IN COMPLIANCE WITH THE SECURITIES LAWS OF SUCH JURISDICTION. THE ISSUER HAS NOT RETAINED ANY REPRESENTATIVE TO ACT ON BEHALF OF NOTEHOLDERS IN CONNECTION WITH THE PROPOSED AMENDMENTS.

The date of this Consent Solicitation Memorandum is 10 November 2014

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1 Executive Summary for Noteholders

The Liquidity Facility Provider has requested that the Issuer propose this opportunity to the Existing Noteholders for them to direct the Issuer and the Trustee to amend the Liquidity Facility Agreement to reduce the costs currently paid by the Issuer to the Liquidity Facility Provider under the Liquidity Facility Agreement, as explained below.

The Liquidity Facility Provider is of the opinion that the costs saving will result in additional revenue being available to the Issuer to make payments to Noteholders and that this may benefit this transaction by improving interest coverage and reducing any need in the future to draw on the Liquidity Facility.

The Liquidity Facility Provider notes that the Liquidity Facility Agreement provides for a commitment fee and interest on the Stand-by Drawing based on the amount available or the amount drawn of the Commitment. The commitment fee is 101.48 bp per annum, which includes increased costs relating to Basel II and ILAS rules in respect of the Available Commitment. The Liquidity Facility Provider notes that the commitment fee may rise further in the future should regulatory requirements impose higher costs on the provision of the Liquidity Facility. In the opinion of the Liquidity Facility Provider, the potential for further rises in the cost of the Liquidity Facility strengthens the case for resizing the Commitment to an appropriate level.

In the event that the required Extraordinary Resolutions are duly passed at each Meeting and the applicable Proposed Amendments are effected, the Liquidity Facility Provider has agreed to pay a Consent Fee to each Approving Noteholder as further described below. Noteholders can vote independently for or against each Extraordinary Resolution and a Consent Fee will be paid separately for votes in favour of each Extraordinary Resolution.

The Consent Fee in respect of the First Proposed Amendments is a percentage, depending on the Class of Notes as set out in the table below, of the Principal Amount Outstanding of the Notes held by the Approving Noteholder on the date of the Meeting in respect of which that Approving Noteholder has voted in favour of the First Extraordinary Resolution.

Class Fee Rate

B	0.30%
C	0.40%
D	0.50%
E	0.60%

The Consent Fee in respect of the Second Proposed Amendments is a percentage, depending on the Class of Notes as set out in the table below, of the Principal Amount Outstanding of the Notes held by the Approving Noteholder on the date of the Meeting in respect of which that Approving Noteholder has voted in favour of the Second Extraordinary Resolution.

Class Fee Rate

B	0.10%
C	0.10%
D	0.10%
E	0.10%

The rate of the Consent Fee has been calculated to reflect a significant share of the

savings that the Liquidity Facility Provider estimates it may make following implementation of the Proposed Amendments. The distribution of the Consent Fee between the different Classes of Notes has been structured so as to reflect the equal voting weight of each Class of Note and the amount of Notes currently outstanding within each Class of Note.

(a) Re-sizing of Liquidity Facility

The Liquidity Facility Provider notes that the Commitment under the Liquidity Facility was sized at £34,170,000, subject to being decreased where the Commitment is in excess of 8 per cent. of the Sterling Equivalent Principal Amount Outstanding of the Notes (excluding the E2c Notes) on an Interest Payment Date, subject to certain conditions. The Commitment has not been reduced since the Closing Date to reflect the amortisation of the Notes because the conditions to reducing the Commitment are not satisfied.

The commitment fee is 101.48 bp per annum, which includes increased costs relating to Basel II and ILAS rules in respect of the Available Commitment. The Liquidity Facility Provider notes that the commitment fee may rise further in the future should regulatory requirements impose higher costs on the provision of the Liquidity Facility.

The First Proposed Amendments in this Consent Solicitation Memorandum are (1) to reduce the size of the Commitment (or the size of any Stand-by Drawing, as the case may be) to a dynamic level of 12 per cent. of the aggregate Sterling Equivalent Principal Amount Outstanding of the Notes (excluding the E2c Notes) and (2) to remove the current conditions to reducing the Commitment. The Liquidity Facility Provider is of the opinion that this size of Commitment will give a significant cushion over the 8 per cent. level which would be effective if the transaction met all the relevant conditions.

The Liquidity Facility Provider estimates that setting the Commitment (or any Stand-by Drawing, as the case may be) to a dynamic level of 12 per cent. of the aggregate Sterling Equivalent Principal Amount Outstanding of the Notes (excluding the E2c Notes) would save the Issuer approximately £392,000 in the first year in fees payable to the Liquidity Facility Provider if the Stand-by Drawing remains in place, or approximately £281,000 if there is no Stand-by Drawing existing (both scenarios based on a 3M LIBOR rate of -40 bp and that the return to the Issuer on the deposit is 3M LIBOR -40 bp and no further Advances being drawn by the Issuer pursuant to the Liquidity Facility Agreement).

(b) Reversal of Stand-by Drawing

The Liquidity Facility Provider notes that the Stand-by Drawing annually costs the Issuer an amount of £34,170,000 x 3M LIBOR + 101.48 bp per annum. This is higher than the costs of the Issuer would be under the Liquidity Facility Agreement if no Stand-by Drawing is made (when only the commitment fee of 101.48 bp per annum is payable) and may rise if 3M LIBOR increases.

The Second Proposed Amendments in this Consent Solicitation Memorandum are to amend the rating trigger for the Stand-by Drawing to reflect the current published criteria of the Rating Agencies. These amendments would oblige the Issuer to repay the Stand-by Drawing to the Liquidity Facility Provider in accordance with the terms of the Liquidity Facility Agreement.

The Liquidity Facility Provider estimates that repayment of the Stand-by Drawing as proposed and if the Liquidity Facility remains at its existing size will save the Issuer in the first year the equivalent of approximately £137,000 per annum (based on a 3M LIBOR rate of 52 bp and that the return to the Issuer on the deposit is 3M LIBOR -40 bp) and £26,000 per annum in the first

year if the Liquidity Facility is re-sized under the First Proposed Amendment (on the same basis).

(c) Certain considerations

· Noteholders can vote independently on the First Proposed Amendments and the Second Proposed Amendments and the passing of the First Extraordinary Resolution and implementation of the First Proposed Amendments is not conditional on the Second Extraordinary Resolution being passed and the Second Proposed Amendments being implemented and vice versa.

· Neither the Liquidity Facility Provider nor the Issuer has undertaken any formal process with the Rating Agencies to confirm the effect of implementation of either of the Proposed Amendments on the ratings of the Notes and no Rating Agency Confirmations have been obtained. However, the Liquidity Facility Provider reserves the right to confirm with any Rating Agency the effect of implementation of either of the Proposed Amendments on the ratings of the Notes and to obtain a Rating Agency Confirmation from any Rating Agency at any time. Should a Rating Agency Confirmation be provided, the Noteholders will be notified accordingly. Noteholders should form their own judgement as to the merits of the Proposed Amendments and the effect on their holdings of the Notes. Noteholders should further have regard to Section 4 (*Special Considerations*), in particular, and the other provisions of this Consent Solicitation Memorandum, when considering the Proposed Amendments.

· The Liquidity Facility Provider notes that equivalent amendments have been effected in respect of the liquidity facility agreements entered into by Preferred Residential Securities 05-1 PLC and Preferred Residential Securities 06-1 PLC. On 30 May 2014, S&P upgraded its credit rating on the class D1c notes and affirmed its ratings on the remainder of the notes issued by Preferred Residential Securities 05-1 PLC. On 30 September 2014, S&P upgraded its credit rating on the class D1a and class D1c notes and affirmed its ratings on the remainder of the notes issued by Preferred Residential Securities 06-1 PLC. In the relevant publications (*Ratings Raised On U.K. RMBS Transaction Preferred Residential Securities 05-1's Class D1c Notes; Other Classes Affirmed and Rating Actions Taken in U.K. RMBS Transaction Preferred Residential Securities 06-1 Following Restructure*), S&P noted respectively that the amendment to the liquidity facility agreement "reduced the costs of the liquidity facility for the issuer and had a positive effect on our cash flow analysis" and referred to the fact that "the reduction in liquidity facility costs, have improved our cash flow results for those classes of notes".

2 background

On the Closing Date, the Issuer entered into the Liquidity Facility Agreement with Barclays Bank PLC as liquidity facility provider. Barclays Bank PLC transferred all of its rights and obligations under the Liquidity Facility Agreement to Lloyds Bank PLC ("**Lloyds**") pursuant to a novation and transfer agreement dated 9 August 2007 between, amongst others, the Issuer and Lloyds (the "**Novation and Transfer Agreement**"). On 28 November 2007, the Issuer and Lloyds, among others, entered into a master deed of amendment which amended the terms of the Liquidity Facility Agreement dated 10 August 2005 (the "**Master Amendment Deed**").

The Liquidity Facility Provider notes that the Liquidity Facility Agreement incorporates the following features which are the subject of the Proposed Amendments:

(a) The Commitment decreases to reflect the amortisation of the Notes

Under Clause 12.2 of the Liquidity Facility Agreement, the Commitment is decreased on each Interest Payment Date to the greater of (a) an amount equal to 8 per cent. of the Sterling Equivalent Principal Amount Outstanding of the Notes (excluding the E2c Notes) and (b) £1,500,000, provided that certain conditions specified in the Liquidity Facility Agreement do not apply (as set out below).

(b) A Stand-by Drawing is required to be made following a Ratings Downgrade Event

Pursuant to Clause 25(d) of the Liquidity Facility Agreement, if a Ratings Downgrade Event occurs and any of the Rating Agencies so specify by giving notice to the Liquidity Facility Provider and the Issuer, the Issuer is required to make a Stand-by Drawing in an amount equal to the Available Commitment if the Liquidity Facility Provider and the Issuer are unable to arrange for a Substitute Bank to provide a facility to the Issuer within 60 days of notice of the Ratings Downgrade Event.

The Liquidity Facility Provider has requested that the Issuer present to the Existing Noteholders the First Proposed Amendments, as described more fully below, to re-size the Commitment and reduce the amount of the Stand-by Drawing to reflect the reduction in the Sterling Equivalent Principal Amount Outstanding of the Notes (excluding the E2c Notes) since the Closing Date. See Section 4 "*Re-sizing Of Liquidity Facility*" below.

The Liquidity Facility Provider has requested that the Issuer present to the Existing Noteholders the Second Proposed Amendments, as described more fully below, to introduce a definition of "Required Ratings" into the Liquidity Facility Agreement in order to align it with the current published criteria of the Rating Agencies and therefore allow for the repayment of the Stand-by Drawing to the Liquidity Facility Provider. See Section 5 "*Reversal of Stand-by Drawing*" below.

3 PAYMENT OF CONSENT FEE

In the event that the First Extraordinary Resolution and/or the Second Extraordinary Resolution are duly passed at each Meeting and the applicable Proposed Amendments are effected, a consent fee will be paid to each Noteholder who (a) delivers (and does not revoke) prior to the Final Voting Deadline a voting instruction to vote in favour of such Extraordinary Resolution or (b) votes in favour of such Extraordinary Resolution at the relevant Meeting (each, an "**Approving Noteholder**").

The Consent Fee payable to each Approving Noteholder shall be as follows:

(a) in respect of the First Proposed Amendments, a percentage, depending on the Class of Notes as set out in the table below, of the Principal Amount Outstanding of the Notes held by the Approving Noteholder on the date of the Meeting in respect of which that Approving Noteholder has voted in favour of the First Extraordinary Resolution.

Class Fee Rate	
B	0.30%
C	0.40%
D	0.50%
E	0.60%

(b) in respect of the Second Proposed Amendments, a percentage, depending on the Class of Notes as set out in the table below, of the Principal Amount Outstanding of the

Notes held by the Approving Noteholder on the date of the Meeting in respect of which that Approving Noteholder has voted in favour of the Second Extraordinary Resolution.

Class Fee Rate

B	0.10%
C	0.10%
D	0.10%
E	0.10%

Noteholders may vote in favour of or against each Extraordinary Resolution, but only the Approving Noteholders shall be entitled to receive the Consent Fee.

The Consent Fee will be payable by Lloyds pursuant to and in accordance with the Deed Poll. Neither the Issuer nor the Trustee are in any way responsible or liable for the payment of the Consent Fee and no action may be taken against either the Issuer or the Trustee in connection with the non-payment of such Consent Fee.

The Consent Fee will be payable by or on behalf of Lloyds promptly after the date the relevant Proposed Amendments are effected on the following basis.

When determining the amount of the Consent Fee payable and to whom it shall be paid, Lloyds shall rely, without liability, on a report provided to it by the Report Agent. Subject to its receipt of this final report and the relevant Proposed Amendments being effected, Lloyds shall promptly pay the applicable Consent Fee to each Approving Noteholder via the Clearing Systems, or in the case of the 144A Notes, to the relevant account, in each case in accordance with this final report.

In acting as Report Agent, the Report Agent acts solely as the agent of Lloyds and does not assume any obligations towards or relationship of agency or trust for or with any of the Noteholders.

It should be noted that from a practical perspective, the Consent Fee payable to an Approving Noteholder in respect of each Note held by it will be calculated as the product of (a) the aggregate principal amount on issue of the Note held and voted in favour of the relevant Extraordinary Resolution by such Approving Noteholder and (b) the applicable Pool Factor at the date of the relevant Meeting.

Any Consent Fee payable pursuant to the Deed Poll shall be made in the currency of the relevant Note held by the relevant Approving Noteholder. If any Consent Fee payable is not of an amount which is a whole multiple of the smallest unit of the relevant currency in which such payment is to be made, such payment will be rounded down to the nearest unit.

Payment of the Consent Fee in respect of the passing of the First Extraordinary Resolution and implementation of the First Proposed Amendments is not conditional on the Second Extraordinary Resolution being passed and the Second Proposed Amendments being implemented, and vice versa.

4 Re-sizing of Liquidity Facility

The Available Commitment under the Liquidity Facility Agreement was sized on the Closing Date at £34,170,000, subject to being decreased where the Commitment is in excess of 8 per cent. of the Sterling Equivalent Principal Amount Outstanding of the Notes (excluding the E2c Notes) on

an Interest Payment Date, subject to certain conditions as described below.

Under Clause 12.2 of the Liquidity Facility Agreement, the Commitment is decreased on each Interest Payment Date to the greater of (a) an amount equal to 8 per cent. of the Sterling Equivalent Principal Amount Outstanding of the Notes (excluding the E2c Notes) and (b) £1,500,000, provided that no reduction will occur if any of the following conditions (the "**Commitment Reduction Conditions**") apply as set out in sub-clause 12.2(b)(i) to 12.2(b)(iv) of the Liquidity Facility Agreement as follows:

- "(i) after applying the Available Revenue Fund on the relevant Interest Payment Date, the Reserve Fund is less than the Reserve Fund Required Amount or the Principal Deficiency is greater than zero;
- (ii) the aggregate value of the principal losses experienced by the Mortgage Pool (whether or not such losses form part of the Principal Deficiency at such time) as at the immediately preceding Determination Date is greater than 1.5 per cent. of the aggregate Sterling Equivalent Principal Amount Outstanding of the Notes (excluding the E2c Notes) on the Closing Date;
- (iii) as at the immediately preceding Interest Payment Date the aggregate Balance of Loans in respect of which any payment is 90 days or more in arrears is higher than 5 per cent. of the aggregate Balance of all Loans in the Mortgage Pool as at the immediately preceding Interest Payment Date; or
- (iv) either the Mortgage Administrator or the Cash/Bond Administrator is in default of their respective obligations under the Mortgage Administration Agreement or the Cash/Bond Administration Agreement, as applicable."

The Sterling Equivalent Principal Amount Outstanding of the Notes (excluding the E2c Notes) has reduced significantly since the Closing Date as illustrated in the table below (using figures from the September 2014 Quarterly Report):

Class of Notes	Sterling Equivalent Principal Amount Outstanding on Closing	Sterling Equivalent Principal Amount Outstanding 10 September 2014
Class A1a	£49.8m	£0
Class A1b	£117.5m	£0
Class A1c	£15.0m	£0
Class A2c	£244.8m	£0
Class B1a	£18.0m	£4.8m
Class B1c	£17.7m	£4.7m
Class C1a	£15.2m	£15.2m
Class C1c	£7.8m	£7.8m
Class D1a	£17.9m	£17.9m
Class E1c	£6.4m	£6.4m

However, notwithstanding the significant reduction in the Sterling Equivalent Principal Amount Outstanding of the Notes (excluding the E2c Notes), the size of the Commitment under the Liquidity Facility Agreement has not reduced since the Closing Date. The reason for this is that the Commitment Reduction Conditions in sub-clause 12.2(b)(ii) and (b)(iii) of the Liquidity Facility Agreement apply. The aggregate value of the principal losses experienced in the Mortgage Pool as at the Determination Date immediately preceding this Consent Solicitation Memorandum is 3.61 per cent., which is greater than the trigger level of 1.5 per cent. and the aggregate Balance of Loans in respect of which payment is 90 days or more in arrears is 45.19 per cent. of the aggregate Balance of all Loans in the Mortgage Pool as at the Interest Payment Date immediately preceding this Consent Solicitation Memorandum, which is greater than the trigger level of 5 per cent.

As noted above, the amounts payable by the Issuer to the Liquidity Facility Provider are calculated by reference to the Available Commitment and, where a Stand-by Drawing has been made (as is currently the case on this transaction), by reference to the amount of the Stand-by Drawing. Therefore, if the size of the Commitment (and consequently the Available Commitment) or the amount of the Stand-by Drawing, as the case may be, is static and does not reduce in line with the amortisation of the Notes which it supports, then the Issuer's expenditure on amounts payable to the Liquidity Facility Provider is higher than it would otherwise be if the Commitment, the Available Commitment or the amount of the Stand-by Drawing reduced proportionately with the relevant Notes.

The Liquidity Facility Provider is of the opinion that:

- (i) the Sterling Equivalent Principal Amount Outstanding of the Notes (excluding the E2c Notes) has reduced significantly since the Closing Date (as outlined above) and yet the amount of the Commitment (and consequently the Available Commitment) and Stand-by Drawing under the Liquidity Facility has not reduced proportionately; and
- (ii) there are significant increased costs payable by the Issuer to the Liquidity Facility Provider in priority to Noteholders as a result of the Commitment (and consequently the Available Commitment) or the Stand-by Drawing, as the case may be, not reducing proportionately in line with the reduction in the Sterling Equivalent Principal Amount Outstanding of the Notes (excluding the E2c Notes).

As a consequence, the Liquidity Facility Provider has requested that the Issuer propose the First Proposed Amendments to the holders of the Existing Notes, which will be the subject of the First Extraordinary Resolution.

The First Proposed Amendments would be documented and effected by execution of the First Amendment Deed. The form of First Amendment Deed is available from the offices of the Issuer and will be tabled at each of the Meetings. It sets out the First Proposed Amendments in full. Noteholders are advised to read the First Amendment Deed. Below is a summary of the material aspects of the proposed changes set out in the First Amendment Deed:

- (a) **amendment to Clause 12.2 (*Cancellation*) of the Liquidity Facility Agreement to delete the Commitment Reduction Conditions so that at all times the Commitment is decreased on each Interest Payment Date by reference to the Sterling Equivalent Principal Amount Outstanding of the Notes (excluding the E2c Notes) (subject to a floor of £1,500,000);**
- (b) **amendment to Clause 12.2 (*Cancellation*) of the Liquidity Facility Agreement to**

increase the size of the Commitment from 8 per cent. to 12 per cent. of the Sterling Equivalent Principal Amount Outstanding of the Notes (excluding the E2c Notes) (subject to a floor of £1,500,000);

(c) amendment to Clause 12.2 (*Cancellation*) of the Liquidity Facility Agreement so that the amount of the Stand-by Drawing is decreased on each Interest Payment Date to the greater of (a) an amount equal to 12 per cent. of the Sterling Equivalent Principal Amount Outstanding of the Notes (excluding the E2c Notes) and (b) £1,500,000; and

(d) amendment to Clause 11.3 (*Repayment*) (and a corresponding amendment to Clause 11.4 (*Repayment*)) of the Liquidity Facility Agreement to insert a provision that the Stand-by Drawing will be repaid in part in accordance with the provisions of the Liquidity Facility Agreement so that the size of the Stand-by Drawing is reduced in accordance with Clause 12 (*Cancellation*).

As a result of the above First Proposed Amendments, the Liquidity Facility Provider estimates that the Commitment (and consequently the Available Commitment) and Stand-by Drawing would reduce from £34,170,000 to approximately £6,688,397. This would, in the Liquidity Facility Provider's view, result in a decrease in the amount of fees payable by the Issuer to the Liquidity Facility Provider (and thus an increase in the amount of Available Revenue Funds available to the Issuer for the payment of other amounts payable pursuant to the applicable Priority of Payments) of approximately £281,000 in the first year where the Stand-by Drawing has not been made and approximately £392,000 in the first year where the Stand-by Drawing has been made, on the basis that no other Advances have been drawn.

5 Reversal of Stand-by Drawing

The Short Term Debt Rating of the Liquidity Facility Provider was downgraded from A-1+ to A-1 by S&P on 6 March 2009, and from F1+ to F1 by Fitch on 13 October 2011 (Moody's short term rating has remained stable at P-1). Given that each of the Rating Agencies had not confirmed in writing that such event would not cause a downgrade of the Notes, this constituted a Ratings Downgrade Event under the terms of the Liquidity Facility Agreement. In accordance with the terms of the Liquidity Facility Agreement, (as described in paragraph 2(b) above) the Issuer made a Stand-by Drawing since the Liquidity Facility Provider and the Issuer were unable to find a Substitute Bank to provide a facility to the Issuer within 60 days of notice of such Ratings Downgrade Event.

The Liquidity Facility Provider notes that following the Closing Date, each of S&P and Fitch revised its published ratings criteria for securitisation transactions and relaxed the short term ratings trigger for stand-by liquidity drawings. The current published ratings criteria of S&P to support the ratings assigned to the Notes on the Closing Date (*S&P's Counterparty Risk Framework Methodology Assumptions* as published on 25 June 2013) requires an issuer to make a stand-by drawing if the short term debt rating of its liquidity facility provider is downgraded below A-1 by S&P. The current published ratings criteria of Fitch to support the ratings assigned to the Notes on the Closing Date (*Fitch's Counterparty Criteria for Structured Finance and Covered Bonds* as published on 14 May 2014) requires an issuer to make a stand-by drawing if the short term debt rating of its liquidity facility provider is downgraded below F-1 by Fitch. Therefore the Liquidity Facility Provider is of the view that its current Short Term Debt Rating should be sufficient to support the ratings assigned to the Notes in accordance with the current published ratings criteria of each of the Rating Agencies without the requirement for a Stand-by Drawing to be made.

As a result of the Stand-by Drawing being made, the fees payable by the Issuer to the Liquidity Facility Provider have increased considerably compared to the fees which are payable if no Stand-by Drawing is made. The Liquidity Facility Provider notes that the Issuer is obliged to pay interest to the Liquidity Facility Provider in respect of the Stand-by Drawing, as follows:

- (a) the "Applicable Rate" of Note Sterling LIBOR plus 0.45 per cent. per annum which is payable on any outstanding Stand-by Drawing; plus**
- (b) 56.48 bp per annum, being an amount of increased costs relating to ongoing capital and liquidity regulation requirements.**

In addition, the "**Associated Costs Rate**" is payable on the outstanding Advance (in this instance the Stand-by Drawing) which the Liquidity Facility Provider has calculated at 0 per cent.

By comparison, the commitment fee payable on the Available Commitment if the Stand-by Drawing is not made is 101.48 bp per annum on the Available Commitment, which includes increased costs relating to Basel II and ILAS rules in respect of the Available Commitment. The Liquidity Facility Provider notes that the commitment fee may rise further in the future should regulatory requirements impose higher costs on the provision of the Liquidity Facility. Thus, the costs currently paid by the Issuer as a result of the Stand-by Drawing having been made are, as at the date of this Consent Solicitation Memorandum, higher by the rate of Note Sterling LIBOR than would be the case if no Stand-by Drawing was made.

The Liquidity Facility Provider further notes that if the Stand-by Drawing is repaid to the Liquidity Facility Provider, and no further Advances are drawn, the Applicable Rate and the Associated Costs Rate would no longer be payable by the Issuer and instead the Issuer would be required to pay a commitment fee of 101.48 bp per annum on the Available Commitment to the Liquidity Facility Provider until such time that the Commitment is cancelled and reduced to zero in accordance with the terms of the Liquidity Facility Agreement. The Liquidity Facility Provider estimates that this would constitute a significant reduction in the amount of fees payable to the Liquidity Facility Provider by the Issuer and therefore is of the opinion that this will result in additional revenue being available to pay the other liabilities of the Issuer, including to Noteholders, pursuant to the Priority of Payments.

The Liquidity Facility Provider is of the opinion that:

- (i) the current Short Term Debt Rating of the Liquidity Facility Provider should be sufficient to support the ratings assigned to the Notes by reference to the current published ratings criteria of each of the Rating Agencies without the requirement for a Stand-by Drawing to be made; and**
- (ii) there are significant increased costs payable by the Issuer to the Liquidity Facility Provider in priority to Noteholders as a result of the Stand-by Drawing having been made compared to those payable if the Stand-by Drawing is repaid and no further Advances are drawn, as outlined above.**

As a consequence, the Liquidity Facility Provider has requested that the Issuer propose the Second Proposed Amendments to the holders of the Existing Notes, which will be the subject of the Second Extraordinary Resolution.

The Second Proposed Amendments would be documented and effected by execution of the Second Amendment Deed. The form of Second Amendment Deed is available from the offices of the Issuer and will be tabled at the Meetings. It sets out the Second Proposed Amendments in full. Noteholders are advised to read the Second Amendment Deed. Below is a summary of the

material aspects of the proposed changes set out in the Second Amendment Deed:

(a) replacement of all references to S&P, Moody's and Fitch ratings in the Liquidity Facility Agreement with references to the "Required Ratings" (as defined below);

(b) insertion of the following new definition into clause 1.1 (*Interpretation*) of the Liquidity Facility Agreement:

"Required Ratings" means, in respect of the Liquidity Facility Provider, P-1 by Moody's, A-1 by S&P and F1 by Fitch, or such other ratings as are consistent with the then current published ratings criteria of each Rating Agency as being the minimum ratings that are required to support the rating accorded on the Closing Date to the most senior class of Notes currently outstanding."

This will ensure that the definition of Required Ratings always reflects the current published rating criteria of the Rating Agencies.

(c) amendment of the definition of "Ratings Downgrade Event" contained in clause 1.1 of the Liquidity Facility Agreement to:

"Ratings Downgrade Event" means the downgrading of the Liquidity Facility Provider's Short Term Debt Rating by any of the Rating Agencies to a level below the Required Ratings; and

(d) amendment of the definition of "Ratings Upgrade Event" contained in clause 1.1 of the Liquidity Facility Agreement to:

"Ratings Upgrade Event" means the time when the Liquidity Facility Provider's Short Term Debt Rating is next at the Required Ratings following a Ratings Downgrade Event, including as a result of a change in a Rating Agency's published rating criteria, being an event curing the relevant downgrade;

This will ensure that a Stand-by Drawing made as a result of a Ratings Downgrade Event can be repaid whenever the Liquidity Facility Provider has the Required Ratings.

The Second Proposed Amendments would result in the repayment of the Stand-by Drawing by the Issuer to the Liquidity Facility Provider which would, in the Liquidity Facility Provider's view, increase the amount of Available Revenue Funds available to the Issuer as a result of the reduction in the amount of fees being paid to the Liquidity Facility Provider.

As at the date of this Consent Solicitation Memorandum, the size of the Stand-by Drawing is £34,170,000. The Liquidity Facility Provider estimates that repayment of the Stand-by Drawing as proposed (and if the Liquidity Facility remains at its existing size) will save the Issuer in the first year the equivalent of approximately £137,000 per annum (based on a 3M LIBOR rate of 52 bp and that the return to the Issuer on the deposit is 3M LIBOR -40 bp) and £26,000 per annum in the first year if the Liquidity Facility is re-sized under the First Proposed Amendment (on the same basis).

If the Second Extraordinary Resolution is passed and the Second Proposed Amendments are effected, the current Stand-by Drawing will be repaid. However, if the Second Extraordinary Resolution is not passed and the Second Proposed Amendments are not effected but the First

Extraordinary Resolution is passed and the First Proposed Amendments are effected, the Liquidity Facility Provider estimates that the amount of the Stand-by Drawing will reduce by approximately £27,481,603 (which will be repaid to the Liquidity Facility Provider in accordance with the terms of the Liquidity Facility Agreement) and as a result the amounts payable by the Issuer with respect to the Stand-by Drawing will reduce proportionately, as described above.

6 Ratings

The Proposed Amendments have not been discussed with the Rating Agencies and no Rating Agency Confirmations have been provided with respect to the Proposed Amendments. However, the Liquidity Facility Provider reserves the right to discuss the Proposed Amendments with any Rating Agency and to seek a Rating Agency Confirmation from any Rating Agency at any time. Should a Rating Agency Confirmation be provided, the Noteholders will be notified accordingly. See "*Special Considerations*" in Section 4, below.

7 Implementation of Proposed Amendments

If the First Extraordinary Resolution is duly passed, the First Amendment Deed will be entered into on the day of the Meeting or adjourned Meeting at which the final First Extraordinary Resolution is passed or as soon as practicable thereafter.

If the Second Extraordinary Resolution is duly passed, the Second Amendment Deed will be entered into on the day of the Meeting or adjourned Meeting at which the final Second Extraordinary Resolution is passed or as soon as practicable thereafter.

For the avoidance of doubt, the passing of the First Extraordinary Resolution and implementation of the First Proposed Amendments is not conditional on the Second Extraordinary Resolution being passed and the Second Proposed Amendments being implemented, and vice versa.

The Proposed Amendments will take effect on the date the Amendment Deeds becomes effective. However, given the fact that the Proposed Amendment Date (and as a consequence, the repayment pursuant to the Deeds of Amendment) is to fall after the Determination Date relating to the Interest Payment Date falling in December 2014, as a practical matter, it will not be possible for the Cash/Bond Administrator to reflect the associated reduction in the amounts payable to the Liquidity Facility Provider on the Interest Payment Date falling in December 2014. However, any additional amounts paid to the Liquidity Facility Provider on the Interest Payment Date falling in December 2014 as a consequence of the above will be taken into account by the Cash/Bond Administrator when determining the amounts payable to the Liquidity Facility Provider on the Interest Payment Date falling in March 2015.

SECTION 2 - EXPECTED TIMETABLE OF EVENTS

Noteholders holding Notes in a Clearing System should note the particular practice and policy of the relevant Clearing System. The deadlines set by each Clearing System may be earlier than the relevant deadlines specified in this Consent Solicitation Memorandum.

Date	Event
7 November 2014 As at 10:00 pm (London time) 11:00pm (CET) and 5:00 pm (New York time)	1. In respect of Existing Notes held in DTC, the Record Date. The date fixed by the Issuer as the date of the determination of DTC Participants entitled to participate in the Meetings.
10 November 2014 (at least 24 clear days before Meetings)	2. Notices of the Meetings to be delivered to Euroclear and Clearstream, Luxembourg and DTC for communication to direct participants. Announcement of Proposed Amendments, with Consent Solicitation Memorandum attached, via an RIS notice 3. Final form Amendment Deeds, Deed Poll, Liquidity Facility Agreement (and Novation and Transfer Agreement and Master Amendment Deed), Trust Deed, Master Definitions Schedule and this Consent Solicitation Memorandum to be available for inspection, as indicated, at the offices of the Issuer. 4. From this date, Noteholders: (i) may arrange for Notes held by Clearstream, Luxembourg and/or Euroclear in their accounts to be blocked in such accounts and held to the order and under the control of the Principal Paying Agent in order to obtain voting certificates or give voting instructions to the Tabulation Agent; and (ii) holding Notes through DTC may arrange for a form of proxy to be delivered on their behalf to the Tabulation Agent by the DTC Participant through whom they held their Notes as of the Record Date.
On 3 December 2014 (as at such time as is 48 hours prior to the relevant Meeting)	5. Final Voting Deadline. Final time by which Noteholders must have arranged: (i) to request a voting certificate from the Principal Paying Agent (which will be available for collection at the Meeting) to attend or appoint a proxy to attend and vote at the Meeting in person; (ii) for receipt by the Tabulation Agent of a voting instruction in accordance with the procedures of Clearstream, Luxembourg and/or Euroclear; or (iii) for forms of proxy submitted by DTC Participants on behalf of the DTC Noteholders to be delivered to the Tabulation Agent. Meetings of the Existing Noteholders held on 5
Noteholder Meetings held on 5 December 2014	6. December 2014 in accordance with the following timetable:

Meeting of the Existing Class B1a Noteholders at 10:50am London time/11:50 am CET/5:50 am New York time

Meeting of the Existing Class B1c Noteholders at 10:55 am London time/11:55 am CET/ 5:55 am New York time, or if later immediately after the Meeting of the Class B1a Noteholders has been concluded or adjourned

Meeting of the Existing Class C Noteholders at 11:00 am London time/12:00 pm CET/6:00 am New York time, or if later immediately after the Meeting of the Class B1c Noteholders has been concluded or adjourned

Meeting of the Existing Class D Noteholders at 11:05 am London time/12:05 pm CET/6:05 am New York time, or if later immediately after the Meeting of the Class C Noteholders has been concluded or adjourned

Meeting of the Existing Class E Noteholders at 11:10 am London time/12:10 pm CET/6:10 am New York time, or if later immediately after the Meeting of the Class D Noteholders has been concluded or adjourned

As soon as reasonably practicable after the Meetings but no later than 14 days after the Meetings

7. Announcement and publication of the results of the Meetings by the Issuer
Delivery of notice of such results to Euroclear and Clearstream, Luxembourg and DTC for communication to direct participants and via RIS and Reuters.

If the First Extraordinary Resolution is passed at all of the Meetings:

8 December 2014

8. First Proposed Amendment Date
The Consent Fee will be payable by or on behalf of the Liquidity Facility Provider promptly after the date the relevant Proposed Amendments are effected.

If the Second Extraordinary Resolution is passed at all of the Meetings:

8 December 2014

9. Second Proposed Amendment Date
The Consent Fee will be payable by or on behalf of the Liquidity Facility Provider promptly after the date the relevant Proposed Amendments are effected.

If a quorum is not achieved at a Meeting, an adjourned Meeting of Noteholders will be held at such times as will be notified to the relevant Noteholders in the notices of such adjourned Meeting. Any adjourned Meeting will be held in accordance with the terms of the Trust Deed.

All references in this Consent Solicitation Memorandum to times are to London time, unless otherwise stated. The above times and dates are indicative only and will depend, among other matters, on timely receipt of voting instructions (and non-revocation thereof) and the passing of one or both Extraordinary Resolutions, and are subject to the earlier deadlines of the relevant Clearing System and other intermediaries (if any). The Issuer (acting in conjunction with the Liquidity Facility Provider), reserves the right to make changes to all relevant time limits as set out

in this Consent Solicitation Memorandum, subject to the requirements set out in Section 3 (*Voting and Meeting*).

SECTION 3 - voting and meeting

The following is a summary of the arrangements which have been made for the purpose of Existing Noteholders voting in respect of the Extraordinary Resolutions to be proposed at the Meetings as set out above. These arrangements satisfy the requirements of the provisions contained in the Trust Deed relating to the Meetings of Noteholders convened for the purpose of passing Extraordinary Resolutions. Full details of these arrangements are set out in Schedule 3 (*Provisions for Meetings of Noteholders*) to the Trust Deed a copy of which is available for inspection at the offices of the Issuer.

Each Class or, where a Class is made up of sub classes, each sub class of the Existing Notes is in registered form and represented by a global note (i) registered in the name of a nominee for The Bank of New York Mellon, London Branch as common depository for Euroclear Bank S.A./N.V. ("**Euroclear**") and Clearstream Banking, société anonyme ("**Clearstream, Luxembourg**"), or (ii) deposited with a custodian for The Depository Trust Company ("DTC") and together with Euroclear and Clearstream, Luxembourg, the "**Clearing Systems**" and each a "**Clearing System**" and registered in the name of DTC or its nominee.

Any Existing Noteholder who wishes to vote in respect of the Extraordinary Resolutions should: (i) in the case of a beneficial owner whose Notes are held in book-entry form by a custodian, request such beneficial owner's custodian to vote on the relevant Extraordinary Resolution(s) in accordance with the procedures set out below or (ii) in the case of an Existing Noteholder whose Notes are held in book-entry form directly in the relevant Clearing System, vote on the relevant Extraordinary Resolution(s) in accordance with the procedures set out below.

Existing Noteholders should note that the timings and procedures set out below reflect the requirements for Noteholder meetings set out in Schedule 3 (*Provisions for Meetings of Noteholders*) to the Trust Deed, but that the Clearing Systems may have their own additional requirements as to timings and procedures for voting on the Extraordinary Resolutions. Accordingly, any Existing Noteholders wishing to vote in respect of the Extraordinary Resolutions are strongly urged either to contact their custodian (in the case of a beneficial owner whose Existing Notes are held in book-entry form by a custodian) or the relevant Clearing System (in the case of a Noteholder whose Notes are held in book-entry form directly in the relevant Clearing System) as soon as possible.

The voting procedures for the Meetings are different depending on whether the Existing Notes are held (i) through Euroclear or Clearstream, Luxembourg or (ii) through DTC. The two procedures are described below.

A. For Notes held through Euroclear or Clearstream, Luxembourg:

This paragraph A (*For Notes held through Euroclear or Clearstream, Luxembourg*;) only applies to Notes held through Euroclear or Clearstream, Luxembourg.

For the purposes of Notes held through Euroclear or Clearstream, Luxembourg, a "Noteholder" shall mean each person who is for the time being shown in the records of Euroclear or

Clearstream, Luxembourg as the holder of a particular principal amount of the Notes. Each person who is the beneficial owner (a "**Beneficial Owner**") of a particular principal amount of the Notes through a Noteholder should note that such person is not considered to be a Noteholder for the purposes of Notes held through Euroclear or Clearstream, Luxembourg and will only be entitled to attend and vote at a Meeting or to appoint a proxy to do so by instructing the relevant Noteholder to follow the procedures set out below.

A Noteholder wishing to attend the Meeting in person must produce at the Meeting a valid voting certificate issued by a Paying Agent relating to the Note(s) in respect of which he wishes to vote.

A Noteholder not wishing to attend and vote at the Meeting in person may either deliver his valid voting certificate(s) to the person whom he wishes to attend on his behalf or give a voting instruction (by giving his voting instructions to Clearstream, Luxembourg and/or Euroclear) instructing a Paying Agent to appoint a proxy to attend and vote at the Meeting in accordance with his instructions. Any such appointment shall be made pursuant to a block voting instruction.

A Noteholder must request the relevant Clearing System to block the Notes in his own account and to hold the same to the order or under the control of a Paying Agent not later than 48 hours before the time appointed for holding the Meeting in order to obtain voting certificates or give voting instructions in respect of the relative Meeting. Notes so blocked will not be released until the earlier of:

(a) **the conclusion of the Meeting (or, if applicable, any adjournment of such Meeting);**
and

(b)

(i) in respect of (a) voting certificate(s), the surrender to a Paying Agent of such voting certificate(s) and notification by the relevant Paying Agent to the relevant Clearing System of such surrender or the compliance in such other manner with the rules of the relevant clearing system; or

(ii) in respect of voting instructions, not less than 48 hours before the time for which the Meeting (or, if applicable, any adjournment of such Meeting) is convened, the notification in writing of any revocation or amendment of a Noteholder's previous instructions to the Paying Agent and the same then being notified in writing by the Paying Agent to the Issuer at least 24 hours before the time appointed for holding the Meeting (or, if applicable, any adjournment of such Meeting) and such Notes ceasing in accordance with the procedures of the relevant Clearing System and with the agreement of such Paying Agent to be held to its order or under its control.

B. For Notes held through DTC:

This paragraph B (*For Notes held through DTC:*) only applies to Notes held through DTC.

For the purposes of Notes held through DTC, each direct participant in DTC holding a principal amount of the Notes, as reflected in the records of DTC, as at the close of business in New York on 7 November 2014 (the "**Record Date**") will be considered to be a Noteholder upon DTC granting an omnibus proxy authorising DTC direct participants to vote at the relevant Meeting (by delivering a form of proxy).

The Record Date has been fixed as the date for the determination of Noteholders entitled to vote at the Meetings. The delivery of a form of proxy, as defined and described below, will not affect a Noteholder's right to sell or transfer any Notes, and a sale or transfer of any Notes after the

Record Date will not have the effect of revoking any form of proxy properly delivered by a Noteholder. Therefore, each properly delivered form of proxy will remain valid notwithstanding any sale or transfer of any Notes to which such form of proxy relates.

A DTC direct participant, duly authorised by an omnibus proxy from DTC, may, by an instrument in writing in the English language (a "**form of proxy**") in the form available from the office of the Tabulation Agent specified below signed by such DTC direct participant, or, in the case of a corporation, executed under its common seal or signed on its behalf by an attorney or a duly authorised officer of the corporation and delivered to the specified office of the Tabulation Agent no later than 48 hours before the time fixed for the relevant Meeting, appoint any person (a "**proxy**") to act on his or its behalf in connection with any Meeting (and any adjourned such Meeting).

A proxy so appointed shall so long as such appointment remains in force be deemed, for all purposes in connection with the relevant Meeting (or any adjourned such Meeting) to be the holder of the Notes to which such appointment relates and the relevant Noteholder shall be deemed for such purposes not to be the holder.

Only Noteholders (i.e. DTC direct participants) may deliver a form of proxy. A beneficial owner of an interest in Notes held through a DTC direct participant must direct such DTC direct participant to deliver a form of proxy on its behalf.

Any DTC direct participant who intends to deliver one or more properly completed forms of proxy should deliver the same by registered mail, hand delivery, overnight courier or by e-mail or facsimile (with an original delivered subsequently) to the Tabulation Agent at its address, e-mail address or facsimile number set forth below. Such forms of proxy must be received by the Tabulation Agent no later than 48 hours before the time fixed for the relevant Meeting.

The ownership of Notes held through DTC by DTC direct participants shall be established by a DTC security position listing provided by DTC as of the Record Date.

C. General provisions relating to the Meetings:

The quorum required at each Meeting is one or more persons present holding voting certificates or being proxies and representing in the aggregate over 50 per cent. of the aggregate Sterling Equivalent Principal Amount Outstanding of the Notes of the relevant Class for the time being outstanding.

If a quorum is not present at any Meeting within 15 minutes or such longer period not exceeding 30 minutes as the Chairman may decide from the time fixed for the relevant Meeting, such Meeting will be adjourned in accordance with the provisions of the Trust Deed and the Extraordinary Resolutions shall be considered at the adjourned Meeting (notice of which will be given to the Noteholders of the relevant Class). At any adjourned meeting, the quorum required is one or more persons present holding voting certificates or being proxies (whatever the aggregate Sterling Equivalent Principal Amount Outstanding of the Notes of such Class so represented by them). Noteholders should note that voting certificates obtained and proxies appointed in respect of a Meeting shall remain valid for the relevant adjourned Meeting unless validly revoked.

Every question submitted to each Meeting will be decided in the first instance by a show of hands unless a poll is duly demanded (before or on the declaration of the result on the show of hands) by the Chairman of such Meeting, the Issuer, the Trustee or by any person present holding a voting certificate or being a proxy (whatever the principal amount of Notes of the relevant Class so held

or represented by him). On a show of hands every person who is present in person and produces a voting certificate or is a proxy shall have one vote. On a poll every person who is so present in person and produces a voting certificate or is a proxy shall have one vote in respect of each £1.00 in Sterling Equivalent Principal Amount Outstanding of the Notes represented or held by him.

In the case of equality of votes, the Chairman of the Meeting shall, both on a show of hands and on a poll, have a casting vote. To be passed, the Extraordinary Resolution requires a majority in favour consisting of not less than 75 per cent. of the persons voting at the Meeting upon a show of hands or, if a poll is duly demanded, by a majority consisting of not less than 75 per cent. of the votes cast on such poll, as the case may be.

If an Extraordinary Resolution is duly passed by the holders of the relevant Class of Existing Notes, it will be binding on all Existing Noteholders of such Class, including those Existing Noteholders who did not attend the relevant Meeting or who attended or were represented and who voted against such Extraordinary Resolution.

Without prejudice to the obligations of proxies named in any block voting instruction, any person entitled to more than one vote need not use all such votes or cast all such votes in the same way.

Noteholders who hold their notes through the Clearing Systems should contact the relevant Clearing System with any questions and requests for assistance in relation to the voting process (including the blocking of Notes).

Noteholders who hold their notes through an intermediary should contact such intermediary with any questions and requests for assistance in relation to the voting process.

Please refer to Section 5 (*Form of Meeting Notice and of Extraordinary Resolutions*) for full details of the Meetings, voting and quorum requirements. In accordance with the provisions of the Trust Deed, copies of Meeting Notices have been delivered to Euroclear and Clearstream, Luxembourg for dissemination to Noteholders.

Implementation

If the First Extraordinary Resolution and/or the Second Extraordinary Resolution is duly passed, the First Proposed Amendments and/or the Second Proposed Amendments (as applicable) is expected to be implemented shortly thereafter.

The Issuer urges the Existing Noteholders to consider the Proposed Amendments carefully and to ensure they comply with the timetable requirements (set out in Section 2 (*Expected Timetable of Events*)) in order to ensure they are able to participate in, or be represented at, the Meetings and to have their votes cast in relation to the

Extraordinary Resolutions.

SECTION 4 - Special Considerations

The following is an overview of certain of the risks associated with the Proposed Amendments about which the Noteholders should be aware. The Issuer represents that the overview of certain risks included in this section is not intended to be exhaustive as to all matters about which Noteholders should be aware. All of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring. Before making a decision with respect to the Proposed Amendments, Noteholders should carefully consider, in addition to the information contained in this Consent Solicitation Memorandum the risk factors and other considerations set out in the Offering Circular issued by the Issuer in connection with the Notes on 8 August 2005, and the following:

Noteholders bound by Extraordinary Resolutions

If the requisite number of Noteholders (present in person or represented) at a Meeting vote in favour of the First Extraordinary Resolution and the First Extraordinary Resolution is passed, the First Extraordinary Resolution will be binding on all Noteholders of the relevant Class whether or not such Noteholder was present at the relevant Meeting and/or whether or not such Noteholder voted in respect of, or in favour of, the First Extraordinary Resolution.

If the requisite number of Noteholders at a Meeting (present in person or represented) vote in favour of the Second Extraordinary Resolution and the Second Extraordinary Resolution is passed, the Second Extraordinary Resolution will be binding on all Noteholders of the relevant Class whether or not such Noteholder was present at the relevant Meeting and/or whether or not such Noteholder voted in respect of, or in favour of, the Second Extraordinary Resolution.

Noteholders should note that the passing of the First Extraordinary Resolution and implementation of the First Proposed Amendments is not conditional on the Second Extraordinary Resolution being passed and the implementation of the Second Proposed Amendments and vice versa.

Conditionality

Existing Class B1a Noteholders should note that, notwithstanding the fact that the First Extraordinary Resolution or the Second Extraordinary Resolution may be passed by the requisite majority of holders of the Existing Class B1a Notes, the signing of the First Amendment Deed or the Second Amendment Deed, as applicable, is conditional upon the requisite majority of holders of each of the Existing Class B1c Notes, the Existing Class C Notes, the Existing Class D Notes and the Existing Class E Notes voting in favour of an Extraordinary Resolution on identical terms (*mutatis mutandis*) as such First Extraordinary Resolution or Second Extraordinary Resolution, as applicable or the Trustee determining in each case that the relevant modifications will not be materially prejudicial to the interests of the holder of any such Class of Notes.

Existing Class B1c Noteholders should note that, notwithstanding the fact that the First Extraordinary Resolution or the Second Extraordinary Resolution may be passed by the requisite

majority of holders of the Existing Class B1c Notes, the signing of the First Amendment Deed or the Second Amendment Deed, as applicable, is conditional upon the requisite majority of holders of each of the Existing Class B1a Notes, the Existing Class C Notes, the Existing Class D Notes and the Existing Class E Notes voting in favour of an Extraordinary Resolution on identical terms (*mutatis mutandis*) as such First Extraordinary Resolution or Second Extraordinary Resolution, as applicable or the Trustee determining in each case that the relevant modifications will not be materially prejudicial to the interests of the holder of any such Class of Notes.

Existing Class C Noteholders should note that, notwithstanding the fact that the First Extraordinary Resolution or the Second Extraordinary Resolution may be passed by the requisite majority of holders of the Existing Class C Notes, the signing of the First Amendment Deed or the Second Amendment Deed, as applicable, is conditional upon the requisite majority of holders of each of the Existing Class B1a Notes, the Existing Class B1c Notes, the Existing Class D Notes and the Existing Class E Notes voting in favour of an Extraordinary Resolution on identical terms (*mutatis mutandis*) as such First Extraordinary Resolution or Second Extraordinary Resolution, as applicable or the Trustee determining in each case that the relevant modifications will not be materially prejudicial to the interests of the holder of any such Class of Notes.

Existing Class D Noteholders should note that, notwithstanding the fact that the First Extraordinary Resolution or the Second Extraordinary Resolution may be passed by the requisite majority of holders of the Existing Class D Notes, the signing of the First Amendment Deed or the Second Amendment Deed, as applicable, is conditional upon the requisite majority of holders of each of the Existing Class B1a Notes, the Existing Class B1c Notes, the Existing Class C Notes and the Existing Class E Notes voting in favour of an Extraordinary Resolution on identical terms (*mutatis mutandis*) as such First Extraordinary Resolution or Second Extraordinary Resolution, as applicable or the Trustee determining in each case that the relevant modifications will not be materially prejudicial to the interests of the holder of any such Class of Notes.

Existing Class E Noteholders should note that, notwithstanding the fact that the First Extraordinary Resolution or the Second Extraordinary Resolution may be passed by the requisite majority of holders of the Existing Class E Notes, the signing of the First Amendment Deed or the Second Amendment Deed, as applicable, is conditional upon the requisite majority of holders of each of the Existing Class B1a Notes, the Existing Class B1c Notes, the Existing Class C Notes and the Existing Class D Notes voting in favour of an Extraordinary Resolution on identical terms (*mutatis mutandis*) as such First Extraordinary Resolution or Second Extraordinary Resolution, as applicable or the Trustee determining in each case that the relevant modifications will not be materially prejudicial to the interests of the holder of any such Class of Notes.

No Rating Agency Confirmations

None of the Issuer, the Trustee, the Liquidity Facility Provider, the Paying Agents or the Tabulation Agent have undertaken a formal process to confirm with any Rating Agency the effect of implementation of either of the Proposed Amendments on the ratings of the Notes and no Rating Agency Confirmations have been obtained. However, the Liquidity Facility Provider reserves the right to confirm with any Rating Agency the effect of implementation of either of the Proposed Amendments on the ratings of the Notes and to obtain a Rating Agency Confirmation from any Rating Agency at any time. Should a Rating Agency Confirmation be provided, the Noteholders will be notified accordingly. Noteholders should however form their own judgement as to the merits of the Proposed Amendments, the sensitivity of the ratings of the Notes to the Proposed Amendments and the effect on their holdings of the Notes.

Trustee Discretion

Please note that although the Trustee may have certain discretions under the Trust Deed to provide its consent to any proposed modification(s) to the Documents on the basis that such proposed modification(s) will not be materially prejudicial to the interests of the holder of any Class of Notes, there is no obligation on the Trustee to exercise any such discretion and the Trustee may not exercise any such discretion. Noteholders are therefore urged to exercise their right to vote.

Blocking of Notes

When considering whether to submit voting instructions or request a voting certificate in order to vote at the Meeting, Noteholders whose Notes are represented by a Reg S Global Note and who hold their Notes through Euroclear or Clearstream, Luxembourg, should take into account that restrictions on the transfer of Notes by Noteholders will apply from the time the voting instructions are submitted or the voting certificate is requested. Such Noteholders, by delivering voting instructions or requesting a voting certificate in respect of any Notes, will agree that their Notes will be blocked in the relevant Clearing System with effect from and including the date on which the relevant instruction or request is received by the relevant Clearing System and will remain blocked until the earliest of:

- (a) the conclusion of the relevant Meeting (or, if adjourned, of the adjourned Meeting); and**
- (b) the date on which the voting instructions are validly revoked or the relevant voting certificates are surrendered.**

Such Noteholders should also note that their Notes will remain blocked in the relevant Clearing System pending payment of any Consent Fee payable to them.

Taxation

This Consent Solicitation Memorandum does not address any tax consequences of the Proposed Amendments or the payment of the Consent Fee, whether or not the Proposed Amendments are implemented. Noteholders who are in any doubt as to the tax position, should consult their own independent tax advisers regarding any tax implications by reference to their own particular or individual circumstances.

Responsibility for Complying with the Voting Procedures

Noteholders are responsible for complying with all of the procedures for submitting voting instructions or obtaining a voting certificate. None of the Liquidity Facility Provider, the Issuer, the Tabulation Agent, the Paying Agents or the Trustee assumes any responsibility for informing Noteholders of any irregularity with respect to any submission of voting instructions or any request for a voting certificate.

Interpretation Final

All questions as to the form of documents, and establishing the validity and eligibility (including time of receipt) of voting instructions and matters relating to the revocation or amendment of voting instructions will be determined by the Issuer subject, in the case of matters prescribed by the Meetings Provisions, to the approval of the Trustee, whose determination shall be final and binding. The Issuer also reserves the right, subject, in the case of matters prescribed by the Meetings Provisions, to the approval of the Trustee, to waive any and all defects or irregularities in

the giving of particular voting instructions.

No alternative, conditional or contingent giving of voting instructions will be accepted. Unless waived by the Issuer (acting in conjunction with the Trustee, as described in the paragraph above), any defects or irregularities in connection with giving of voting instructions must be cured within such time as is permitted by the Meetings Provisions. None of the Tabulation Agent, the Paying Agents, the Issuer, the Trustee or any other person will be under any duty to give notification of any defects or irregularities in such voting instructions nor will such entities incur any liability for failure to give such notification. Giving of such voting instructions will not be deemed to have been made until such defects or irregularities have been cured or waived.

Responsibility to Consult Advisors

Noteholders should consult their own tax, accounting, financial and legal advisors regarding the consequences (tax, accounting or otherwise) of participating in the Proposed Amendments and the receipt by them of the Consent Fee.

Implementation

Until the Issuer announces in accordance with the terms of the Trust Deed that the First Extraordinary Resolution and/or the Second Extraordinary Resolution have been passed and that the First Amendment Deed and/or the Second Amendment Deed executed, no assurance can be given that either the First Proposed Amendments or the Second Proposed Amendments will be implemented.

Required Approvals

In order for the First Proposed Amendments and/or the Second Proposed Amendments to be implemented, the Issuer will require the approval of the Trustee who will only give its consent to the First Proposed Amendments and/or the Second Proposed Amendments if the relevant Proposed Amendments are approved by the First Extraordinary Resolution or the Second Extraordinary Resolution, as applicable, of the Existing B1a Noteholders, the Existing B1c Noteholders, the Existing C Noteholders, the Existing D Noteholders and the Existing E Noteholders.

The Extraordinary Resolutions are to be proposed for consideration at the Meetings of the Existing Noteholders. If successfully passed, the Trustee will then be in the position to give its consent, which will allow the Issuer to implement one or both of the Proposed Amendments, as applicable.

SECTION 5 - Form OF MEETINGS NOTICE and Extraordinary Resolutions

THIS NOTICE CONTAINS IMPORTANT INFORMATION OF INTEREST TO THE REGISTERED AND BENEFICIAL OWNERS OF THE EXISTING NOTES (AS DEFINED BELOW). IF APPLICABLE, ALL DEPOSITARIES, CUSTODIANS AND OTHER INTERMEDIARIES RECEIVING THIS NOTICE ARE REQUESTED TO PASS THIS NOTICE TO SUCH BENEFICIAL OWNERS IN A TIMELY MANNER

If you are in any doubt as to the action you should take, you are recommended to seek your own

financial advice immediately from your stockbroker, bank manager, solicitor, accountant or other financial, legal or tax adviser authorised under the Financial Services and Markets Act 2000 (if you are in the United Kingdom), or from another appropriately authorised independent financial adviser (if you are not) and such other professional advice from your own professional advisors as you deem necessary.

If you have recently sold or otherwise transferred your entire holding(s) of Existing Notes referred to below, you should immediately forward this document to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

THIS NOTICE DOES NOT CONSTITUTE OR FORM PART OF, AND SHOULD NOT BE CONSTRUED AS, AN OFFER FOR SALE, EXCHANGE OR SUBSCRIPTION OF, OR A SOLICITATION OF ANY OFFER TO BUY, EXCHANGE OR SUBSCRIBE FOR ANY SECURITIES OF THE ISSUER OR ANY OTHER ENTITY.

SOUTHERN PACIFIC SECURITIES 05-2 PLC
(the "Issuer")

NOTICE OF MEETINGS

FIRST MEETING

A Meeting of the holders of the

Class B1a €26,000,000 Mortgage Backed Floating Rate Notes due 2043

ISIN: XS0225861490, US84359XAG34; CUSIP: 84359XAG3

(the "**Existing Class B1a Noteholders**" and the "**Existing Class B1a Notes**")

presently outstanding

SECOND MEETING

Class B1c £17,700,000 Mortgage Backed Floating Rate Notes due 2043

ISIN: XS0225862894, US84359XAJ72; CUSIP: 84359XAJ7

(the "**Existing Class B1c Noteholders**" and the "**Existing Class B1c Notes**" respectively)
presently outstanding

THIRD MEETING

A Meeting of the holders of the

Class C1a €22,000,000 Mortgage Backed Floating Rate Notes due 2043

ISIN: XS0225865483, US84359XAK46; CUSIP: 84359XAK4

Class C1c £7,750,000 Mortgage Backed Floating Rate Notes due 2043

ISIN: XS0225876688, US84359XAM02; CUSIP: 84359XAM0

(together, the "**Existing Class C Noteholders**" and the "**Existing Class C Notes**" respectively)
presently outstanding

FOURTH MEETING

A Meeting of the holders of the

Class D1a €25,800,000 Mortgage Backed Floating Rate Notes due 2043

ISIN: XS0225877652, US84359XAN84; CUSIP: 84359XAN8

(the "**Existing Class D Noteholders**" and the "**Existing Class D Notes**" respectively)
presently outstanding

FIFTH MEETING

A Meeting of the holders of the

Class E1c £6,375,000 Mortgage Backed Floating Rate Notes due 2043

ISIN: XS0225879278

(the "**Existing Class E Noteholders**" and the "**Existing Class E Notes**" respectively)

presently outstanding

(together, the Existing Class B1a Noteholders, the Existing Class B1c Noteholders, the Existing Class C Noteholders, the Existing Class D Noteholders and the Existing Class E Noteholders are referred to as the "**Existing Noteholders**"; and separately each a "**Class of Existing Noteholders**"; together, the Existing Class B1a Notes, the Existing Class B1c Notes, the Existing Class C Notes, the Existing Class D Notes and the Existing Class E Notes are referred to as the "**Existing Notes**")

NOTICE IS HEREBY GIVEN that a separate Meeting (each, a "**Meeting**") at the offices of Reed Smith LLP, The Broadgate Tower, 20 Primrose Street, London EC2A 2RS of the holders of:

- all the Existing Class B1a Notes is hereby convened by the Issuer on 5 December 2014 at 10:50 am (London time), 11:50 am (CET) and 5:50 am (New York time) for the purpose of considering and, if thought fit, passing the Extraordinary Resolutions set out below;
- all the Existing Class B1c Notes is hereby convened by the Issuer on 5 December 2014 at 10:55 am (London time), 11:55 am (CET) and 5:55 am (New York time) immediately after the Meeting of the Existing Class B1a Noteholders has been concluded or adjourned, for the purpose of considering and, if thought fit, passing the Extraordinary Resolutions set out below; and
- all the Existing Class C Notes is hereby convened by the Issuer on 5 December 2014 at 11:00 am (London time), 12:00 pm (CET) and 6:00 am (New York time) immediately after the Meeting of the Existing Class B1c Noteholders has been concluded or adjourned, for the purpose of considering and, if thought fit, passing the Extraordinary Resolutions set out below; and
- all the Existing Class D Notes is hereby convened by the Issuer on 5 December 2014 at 11:05 am London time), 12:05 pm (CET) and 6:05 am (New York time) immediately after the Meeting of the Existing Class C Noteholders has been concluded or adjourned, for the purpose of considering and, if thought fit, passing the Extraordinary Resolutions set out below; and

- all the Existing Class E Notes is hereby convened by the Issuer on 5 December 2014 at 11:10 am London time), 12:10 pm (CET) and 6:10 am (New York time) immediately after the Meeting of the Existing Class D Noteholders has been concluded or adjourned, for the purpose of considering and, if thought fit, passing the Extraordinary Resolutions set out below,

in accordance with the provisions of the trust deed dated 10 August 2005 as amended, restated and supplemented from time to time (the "**Trust Deed**") made between the Issuer and Capita Trust Company Limited (the "**Trustee**") and constituting the Existing Notes. The proposed amendments to be made to the documents as described in this Meeting Notice are together referred to as the "**Proposed Amendments**".

This Consent Solicitation Memorandum dated 10 November 2014 relating to the Proposed Amendments (the "**Consent Solicitation Memorandum**"), a copy of which is available as indicated below, explains the background to and reasons for, gives full details of, and invites Existing Noteholders to approve, the Proposed Amendments.

Capitalised terms in this Meeting Notice shall, except where the context otherwise requires or save where otherwise defined herein, bear the meanings ascribed to them in the Consent Solicitation Memorandum. The Consent Solicitation Memorandum and the draft Amendment Deeds are available for inspection during normal business hours on any day (excluding Saturdays, Sundays and public holidays in England) at the offices of the Issuer, 4th Floor, 40 Dukes Place, London EC3A 7NH.

FORM OF EXTRAORDINARY RESOLUTIONS

FIRST EXTRAORDINARY RESOLUTION

The First Extraordinary Resolution will be proposed at separate Meetings to the holders of (i) the Existing Class B1a Notes, (ii) the Existing Class B1c Notes, (iii) the Existing Class C Notes, (iv) the Existing Class D Notes and (v) the Existing Class E Notes *mutatis mutandis* and is in the following terms (with only such changes as are required to reflect the holding of separate Meetings of each such Class of Existing Noteholders):

"THAT this Meeting of the holders of the Existing Class [B1a/B1c/C/D/E] Mortgage Backed Floating Rate Notes presently outstanding (the "**Existing Notes**") of Southern Pacific Securities 05-2 PLC (the "**Issuer**"), constituted by a Trust Deed dated 10 August 2005 as amended, restated and supplemented from time to time (the "**Trust Deed**") made between the Issuer and Capita Trust Company Limited (the "**Trustee**") as trustee for the holders of the Existing Notes (the "**Existing Noteholders**") HEREBY RESOLVES as an Extraordinary Resolution:

(a) (subject to paragraph (l) below) to approve, authorise, consent, sanction and assent to the First Proposed Amendments (as defined in the Consent Solicitation Memorandum dated 10 November 2014 issued by the Issuer (the "**Consent Solicitation Memorandum**") and its implementation;

(b) (subject to paragraph (l) below) that each of the Issuer, the Trustee, Acenden Limited and Lloyds Bank plc as Liquidity Facility Provider is hereby authorised, sanctioned, requested, directed, empowered and instructed to:

(i) implement the Proposed Amendments described in Section 1, part 4 (*Re-sizing of Liquidity Facility*) of the Consent Solicitation Memorandum (the "**First Proposed Amendments**") and as set out in the First Amendment Deed;

(ii) enter into the First Amendment Deed to effect the First Proposed Amendments; and

(iii) concur in, and execute and do, all such other deeds, instruments, ancillary documents, acts and things and take such steps as may be necessary and desirable to carry out and give effect to the First Amendment Deed, the First Proposed Amendments and this Extraordinary Resolution,

in the case of the First Amendment Deed, in substantially the same form as the draft First Amendment Deed produced to this Meeting and signed by the chairman of this Meeting for the purpose of identification, with such non-material amendments (if any) as may be requested by the Issuer and approved by the Trustee or required by the Trustee, in each case, in its sole discretion;

(c) (subject to paragraph (l) below) that the Issuer and the Trustee and each other party thereto is authorised, sanctioned, requested, directed, empowered and instructed to comply with its obligations under the Liquidity Facility Agreement (as modified by the First Amendment Deed) and the Cash/Bond Administration Agreement (including, *inter alia*, agreeing to and, in the case of the Issuer, effecting the repayment of the applicable part of the Stand-by Drawing to the Liquidity Facility Provider on or as soon as reasonably practicable after the date the First Amendment Deed is delivered and dated);

(d) (subject to paragraph (l) below) that the amendments set out in the First Amendment Deed are authorised and approved and the Issuer, the Trustee and the other parties thereto are authorised, sanctioned, requested, directed, empowered and instructed, to the extent legally possible, to undertake the implementation of the First Amendment Deed on and subject to the conditions set out therein;

(e) to sanction every abrogation, modification, compromise or arrangement in respect of the rights of the Trustee or the Existing Noteholders appertaining to the Existing Notes against the Issuer, whether or not such rights arise under the Trust Deed or any other Transaction Document, involved in or resulting from or to be effected by, the modifications referred to in paragraphs (a) to (d) of this Extraordinary Resolution and their implementation or this Extraordinary Resolution;

(f) to waive any and all requirements, restrictions or conditions precedent set forth in the Transaction Documents on any person in respect of implementing the First Amendment Deed and the First Proposed Amendments or this Extraordinary Resolution or implementation thereof;

(g) (subject to paragraph (l) below) that the Trustee is hereby authorised, sanctioned, requested, directed, empowered and instructed to enter into the First Amendment Deed to effect a:

(i) waiver of all breaches or proposed breaches by the Issuer of the provisions of the Transaction Documents or the Conditions that may occur in connection with entering into the First Amendment Deed and performing its obligations contemplated thereby or otherwise taking any steps referred to in paragraphs (b) and (c) above; and

(ii) determination that any actions taken by the Issuer pursuant to or in connection with the First Amendment Deed or in connection with its obligations thereunder or otherwise taking any steps referred to in paragraphs (b) and (c) above which constitute an Event of Default or Potential Event of Default in respect of the Notes shall not be treated as such;

(h) to discharge and exonerate the Issuer from all liability for which it may have

become or may become responsible under any Transaction Document or the Existing Notes in respect of any requirements, restrictions or conditions precedent set forth in the Transaction Documents or the Existing Notes in connection with the First Amendment Deed and the First Proposed Amendments or this Extraordinary Resolution or implementation thereof;

(i) to discharge and exonerate the Trustee and the Issuer from any responsibility or liability for which it may have become or may become responsible under the Trust Deed, the Deed of Charge, the Existing Notes or any Transaction Document or any document related thereto in respect of any act or omission in connection with the passing of this Extraordinary Resolution or the executing of any deeds, agreements, documents or instruments, the performance of any acts, matters or things done to carry out and give effect to the matters contemplated in the First Amendment Deed, the First Proposed Amendments, the Consent Solicitation Memorandum or this Extraordinary Resolution;

(j) to acknowledge and agree that Rating Agency Confirmations will not be obtained;

(k) to sanction the passing of the First Extraordinary Resolution by the holders of the Existing [B1a/B1c/C/D/E] Notes as set out in the Meetings Notice of the Existing [B1a/B1c/C/D/E] Noteholders dated the same date as the notice convening this Meeting; and

(l) that the signing of the First Amendment Deed shall be in all respects conditional on the requisite majority of holders of each of the Existing Class [B1a/B1c/C/D/E] Notes, the Existing Class [B1a/B1c/C/D/E] Notes, the Existing Class [B1a/B1c/C/D/E] and the Existing Class [B1a/B1c/C/D/E] Notes voting in favour of the First Extraordinary Resolution in the same form (*mutatis mutandis*) to be proposed at separate Meetings of such holders convened by the Issuer on or around 5 December 2014 or at any adjournment thereof, or in each case the Trustee determining that the relevant modifications will not be materially prejudicial to the interests of the holders of any such Classes of Notes.

Capitalised terms in this Extraordinary Resolution shall, except where the context otherwise requires or save where otherwise defined herein, bear the meanings ascribed to them in the Consent Solicitation Memorandum or the Master Definitions Schedule."

SECOND EXTRAORDINARY RESOLUTION

The Second Extraordinary Resolution will be proposed at separate Meetings to the holders of (i) the Existing Class B1a Notes, (ii) the Existing Class B1c Notes, (iii) the Existing Class C Notes, (iv) the Existing Class D Notes and (v) the Existing Class E Notes *mutatis mutandis* and is in the following terms (with only such changes as are required to reflect the holding of separate Meetings of each such Class of Existing Noteholders):

"THAT this Meeting of the holders of the Existing Class [B1a/B1c/C/D/E] Mortgage Backed Floating Rate Notes presently outstanding (the "**Existing Notes**") of Southern Pacific Securities 05-2 PLC (the "**Issuer**"), constituted by a Trust Deed dated 10 August 2005 as amended, restated and supplemented from time to time (the "**Trust Deed**") made between the Issuer and Capita Trust Company Limited (the "**Trustee**") as trustee for the holders of the Existing Notes (the "**Existing Noteholders**") HEREBY RESOLVES as an Extraordinary Resolution:

(a) (subject to paragraph (l) below) to approve, authorise, consent, sanction and

assent to the Second Proposed Amendments (as defined in the Consent Solicitation Memorandum dated 10 November 2014 issued by the Issuer (the "Consent Solicitation Memorandum") and its implementation;

(b) (subject to paragraph (l) below) that each of the Issuer, the Trustee, Acenden Limited and Lloyds Bank plc as Liquidity Facility Provider is hereby authorised, sanctioned, requested, directed, empowered and instructed to:

(i) implement the Proposed Amendments described in Section 1, part 5 (*Reversal of Stand-by Drawing*) of the Consent Solicitation Memorandum (the "Second Proposed Amendments") and as set out in the Second Amendment Deed;

(ii) enter into the Second Amendment Deed to effect the Second Proposed Amendments; and

(iii) concur in, and execute and do, all such other deeds, instruments, ancillary documents, acts and things and take such steps as may be necessary and desirable to carry out and give effect to the Second Amendment Deed, the Second Proposed Amendments and this Extraordinary Resolution,

in the case of the Second Amendment Deed, in substantially the same form as the draft Second Amendment Deed produced to this Meeting and signed by the chairman of this Meeting for the purpose of identification, with such non-material amendments (if any) as may be requested by the Issuer and approved by the Trustee or required by the Trustee, in each case, in its sole discretion;

(c) (subject to paragraph (l) below) that the Issuer and the Trustee and each other party thereto is authorised, sanctioned, requested, directed, empowered and instructed to comply with its obligations under the Liquidity Facility Agreement (as modified by the Second Amendment Deed) (including, *inter alia*, agreeing to and, in the case of the Issuer, effecting the repayment of the applicable part of the Stand-by Drawing to the Liquidity Facility Provider on or as soon as reasonably practicable after the date the Second Amendment Deed is delivered and dated);

(d) (subject to paragraph (l) below) that the amendments set out in the Second Amendment Deed are authorised and approved and the Issuer, the Trustee and the other parties thereto are authorised, sanctioned, requested, directed, empowered and instructed, to the extent legally possible, to undertake the implementation of the Second Amendment Deed on and subject to the conditions set out therein;

(e) to sanction every abrogation, modification, compromise or arrangement in respect of the rights of the Trustee or the Existing Noteholders appertaining to the Existing Notes against the Issuer, whether or not such rights arise under the Trust Deed or any other Transaction Document, involved in or resulting from or to be effected by, the modifications referred to in paragraphs (a) to (d) of this Extraordinary Resolution and their implementation or this Extraordinary Resolution;

(f) to waive any and all requirements, restrictions or conditions precedent set forth in the Transaction Documents on any person in respect of implementing the Second Amendment Deed and the Second Proposed Amendments or this Extraordinary Resolution or implementation thereof;

(g) (subject to paragraph (l) below) that the Trustee is hereby authorised, sanctioned, requested, directed, empowered and instructed to enter into the Second Amendment Deed

to effect a:

(i) waiver of all breaches or proposed breaches by the Issuer of the provisions of the Transaction Documents or the Conditions that may occur in connection with entering into the Second Amendment Deed and performing its obligations contemplated thereby or otherwise taking any steps referred to in paragraphs (b) and (c) above; and

(ii) determination that any actions taken by the Issuer pursuant to or in connection with the Second Amendment Deed or in connection with its obligations thereunder or otherwise taking any steps referred to in paragraphs (b) and (c) above which constitute an Event of Default or Potential Event of Default in respect of the Notes shall not be treated as such;

(h) to discharge and exonerate the Issuer from all liability for which it may have become or may become responsible under any Transaction Document or the Existing Notes in respect of any requirements, restrictions or conditions precedent set forth in the Transaction Documents or the Existing Notes in connection with the Second Amendment Deed and the Second Proposed Amendments or this Extraordinary Resolution or implementation thereof;

(i) to discharge and exonerate the Trustee and the Issuer from any responsibility or liability for which it may have become or may become responsible under the Trust Deed, the Deed of Charge, the Existing Notes or any Transaction Document or any document related thereto in respect of any act or omission in connection with the passing of this Extraordinary Resolution or the executing of any deeds, agreements, documents or instruments, the performance of any acts, matters or things done to carry out and give effect to the matters contemplated in the Second Amendment Deed, the Second Proposed Amendments, the Consent Solicitation Memorandum or this Extraordinary Resolution;

(j) to acknowledge and agree that Rating Agency Confirmations will not be obtained;

(k) to sanction the passing of the Second Extraordinary Resolution by the holders of the Existing [B1a/B1c/C/D/E] Notes as set out in the Meetings Notice of the Existing [B1a/B1c/C/D/E] Noteholders dated the same date as the notice convening this Meeting; and

(l) that the signing of the Second Amendment Deed shall be in all respects conditional on the requisite majority of holders of each of the Existing Class [B1a/B1c/C/D/E] Notes, the Existing Class [B1a/B1c/C/D/E] Notes, the Existing Class [B1a/B1c/C/D/E] Notes and the Existing Class [B1a/B1c/C/D/E] Notes voting in favour of the Second Extraordinary Resolution in the same form (*mutatis mutandis*) to be proposed at separate Meetings of such holders convened by the Issuer on or around 5 December 2014 or at any adjournment thereof, or in each case the Trustee determining that the relevant modifications will not be materially prejudicial to the interests of the holders of any such Classes of Notes.

Capitalised terms in this Extraordinary Resolution shall, except where the context otherwise requires or save where otherwise defined herein, bear the meanings ascribed to them in the Consent Solicitation Memorandum or the Master Definitions Schedule."

1 Documents Available For Inspection

Hard copies of the following documents will be available for inspection by the Existing Noteholders (subject to the identification requirements) during normal business hours on any day (excluding Saturdays, Sundays and public holidays in England) at the offices of the Issuer, 4th Floor, 40 Dukes Place, London EC3A 7NH up to and including the date of the Meeting and at the Meeting:

- (i) a final form of the Amendment Deeds;
- (ii) for reference purposes, the Deed Poll;
- (iii) for reference purposes, the Liquidity Facility Agreement;
- (iv) for reference purposes, the Novation and Transfer Agreement;
- (v) for reference purposes, the Master Amendment Deed;
- (vi) for reference purposes, the Trust Deed;
- (vii) for reference purposes, the Master Definitions Schedule; and
- (viii) the Consent Solicitation Memorandum.

Such documents will not be available for photocopying or any other form of reproduction at any time and copies will not be permitted to leave the room containing such copies.

2 General

2.1 The attention of Existing Noteholders is particularly drawn to the quorum required for the Meetings and for adjourned Meetings which is set out in "*Voting and Quorum*" below. Having regard to such requirements, Existing Noteholders are strongly urged either to request the necessary voting certificate required in order to attend the Meeting or to take steps to appoint a proxy to vote on their behalf at the Meeting, as referred to below, as soon as possible.

2.2 Lucid Issuer Services Limited as tabulation agent (the "**Tabulation Agent**"), the Trustee, the Issuer and the Paying Agents (and their respective advisors) have not been involved in the formulation or verification of the Proposed Amendments and express no views or opinions on the merits of the Proposed Amendments or the Extraordinary Resolutions. Neither the Issuer nor the Trustee has any objection to the presentation of the Proposed Amendments and the Extraordinary Resolutions being put to Existing Noteholders for their consideration. The Trustee, the Issuer, the Tabulation Agent and the Paying Agents (and their respective advisors) are not responsible for the accuracy, sufficiency, relevance, completeness, validity, correctness or otherwise of the statements made in this Consent Solicitation Memorandum or otherwise disclosed or to be disclosed to Existing Noteholders in connection with the Proposed Amendments and the Extraordinary Resolutions and make no representation that all relevant information has been disclosed to the Existing Noteholders in or pursuant to this Consent Solicitation Memorandum and this Meetings Notice. None of the Issuer, Paying Agents, the Trustee or the Tabulation Agent (or any of their respective advisors) accepts any liability in relation to the Proposed Amendments or the matters set out in the Consent Solicitation Memorandum.

2.3 Existing Noteholders should take their own independent advice on the merits and on the consequences of voting in favour of the Proposed Amendments. A discussion of certain factors,

which should be considered in connection with the delivery of voting instructions, is set out under "*Special Considerations*" in Section 4 of the Consent Solicitation Memorandum.

3 Voting and Quorum

3.1 The following is a summary of the arrangements which have been made for the purpose of Existing Noteholders voting in respect of the Extraordinary Resolutions to be proposed at the Meetings as set out above. These arrangements satisfy the requirements of the provisions contained in the Trust Deed relating to the Meetings of Existing Noteholders convened for the purpose of passing Extraordinary Resolutions. Full details of these arrangements are set out in Schedule 3 (*Provisions for Meetings of Noteholders*) to the Trust Deed a copy of which is available for inspection at the offices of the Issuer.

3.2 Copies of the Trust Deed are available for inspection during normal business hours on any day (excluding Saturdays, Sundays and public holidays in England) at the offices of the Issuer, 4th Floor, 40 Dukes Place, London EC3A 7NH up to and including the date of the Meeting and at the Meeting.

Each Class or, where a Class is made up of sub classes, each sub class of the Existing Notes is in registered form and represented by a global note (i) registered in the name of a nominee for The Bank of New York Mellon, London Branch as common depositary for Euroclear Bank S.A./N.V. ("**Euroclear**") and Clearstream Banking, société anonyme ("**Clearstream, Luxembourg**"), or (ii) deposited with a custodian for The Depository Trust Company ("**DTC**") and, together with Euroclear and Clearstream, Luxembourg, the "**Clearing Systems**" and each a "**Clearing System**" and registered in the name of DTC or its nominee.

Any Existing Noteholder who wishes to vote in respect of the Extraordinary Resolutions should: (i) in the case of a beneficial owner whose Notes are held in book-entry form by a custodian, request such beneficial owner's custodian to vote on the relevant Extraordinary Resolution(s) in accordance with the procedures set out below or (ii) in the case of an Existing Noteholder whose Notes are held in book-entry form directly in the relevant Clearing System, vote on the relevant Extraordinary Resolution(s) in accordance with the procedures set out below.

Existing Noteholders should note that the timings and procedures set out below reflect the requirements for Noteholder meetings set out in Schedule 3 (*Provisions for Meetings of Noteholders*) to the Trust Deed, but that the Clearing Systems may have their own additional requirements as to timings and procedures for voting on the Extraordinary Resolutions. Accordingly, any Existing Noteholders wishing to vote in respect of the Extraordinary Resolutions are strongly urged either to contact their custodian (in the case of a beneficial owner whose Existing Notes are held in book-entry form by a custodian) or the relevant Clearing System (in the case of an Existing Noteholder whose Notes are held in book-entry form directly in the relevant Clearing System) as soon as possible.

The voting procedures for the Meeting are different depending on whether the Existing Notes are (i) held through Euroclear or Clearstream, Luxembourg or (ii) through DTC. The two procedures are described below.

3.3 For Notes held through Euroclear or Clearstream, Luxembourg:

This paragraph 3.3 (*For Notes held through Euroclear or Clearstream, Luxembourg:*) only applies

to Notes held through Euroclear or Clearstream, Luxembourg.

For the purposes of Notes held through Euroclear or Clearstream, Luxembourg, a "Noteholder" shall mean each person who is for the time being shown in the records of Euroclear or Clearstream, Luxembourg as the holder of a particular principal amount of the Notes. Each person who is the beneficial owner (a "**Beneficial Owner**") of a particular principal amount of the Notes through a Noteholder should note that such person is not considered to be a Noteholder for the purposes of Notes held through Euroclear or Clearstream, Luxembourg and will only be entitled to attend and vote at a Meeting or to appoint a proxy to do so by instructing the relevant Noteholder to follow the procedures set out below.

A Noteholder wishing to attend the Meeting in person must produce at the Meeting a valid voting certificate issued by a Paying Agent relating to the Note(s) in respect of which he wishes to vote.

A Noteholder not wishing to attend and vote at the Meeting in person may either deliver his valid voting certificate(s) to the person whom he wishes to attend on his behalf or give a voting instruction (by giving his voting instructions to Clearstream, Luxembourg and/or Euroclear) instructing a Paying Agent to appoint a proxy to attend and vote at the Meeting in accordance with his instructions. Any such appointment shall be made pursuant to a block voting instruction.

A Noteholder must request the relevant Clearing System to block the Notes in his own account and to hold the same to the order or under the control of a Paying Agent not later than 48 hours before the time appointed for holding the Meeting in order to obtain voting certificates or give voting instructions in respect of the relative Meeting. Notes so blocked will not be released until the earlier of:

(a) the conclusion of the Meeting (or, if applicable, any adjournment of such Meeting); and

(b)

(i) in respect of (a) voting certificate(s), the surrender to a Paying Agent of such voting certificate(s) and notification by the relevant Paying Agent to the relevant Clearing System of such surrender or the compliance in such other manner with the rules of the relevant clearing system; or

(ii) in respect of voting instructions, not less than 48 hours before the time for which the Meeting (or, if applicable, any adjournment of such Meeting) is convened, the notification in writing of any revocation or amendment of a Noteholder's previous instructions to the Paying Agent and the same then being notified in writing by the Paying Agent to the Issuer at least 24 hours before the time appointed for holding the Meeting (or, if applicable, any adjournment of such Meeting) and such Notes ceasing in accordance with the procedures of the relevant Clearing System and with the agreement of such Paying Agent to be held to its order or under its control.

3.4 For Notes held through DTC:

This paragraph 3.4 (*For Notes held through DTC:*) only applies to Notes held through DTC.

For the purposes of Notes held through DTC, each direct participant in DTC holding a principal amount of the Notes, as reflected in the records of DTC, as at the close of business in New York on 7 November 2014 (the "**Record Date**") will be considered to be a Noteholder upon DTC granting an omnibus proxy authorising DTC direct participants to vote at the relevant Meeting (by delivering a form of proxy).

The Record Date has been fixed as the date for the determination of Noteholders entitled to vote at the Meetings. The delivery of a form of proxy, as defined and described below, will not affect a Noteholder's right to sell or transfer any Notes, and a sale or transfer of any Notes after the Record Date will not have the effect of revoking any form of proxy properly delivered by a Noteholder. Therefore, each properly delivered form of proxy will remain valid notwithstanding any sale or transfer of any Notes to which such form of proxy relates.

A DTC direct participant, duly authorised by an omnibus proxy from DTC, may, by an instrument in writing in the English language (a "**form of proxy**") in the form available from the office of the Tabulation Agent specified below signed by such DTC direct participant, or, in the case of a corporation, executed under its common seal or signed on its behalf by an attorney or a duly authorised officer of the corporation and delivered to the specified office of the Tabulation Agent no later than 48 hours before the time fixed for the relevant Meeting, appoint any person (a "**proxy**") to act on his or its behalf in connection with any Meeting (and any adjourned such Meeting).

A proxy so appointed shall so long as such appointment remains in force be deemed, for all purposes in connection with the relevant Meeting (or any adjourned such Meeting) to be the holder of the Notes to which such appointment relates and the relevant Noteholder shall be deemed for such purposes not to be the holder.

Only Noteholders (i.e. DTC direct participants) may deliver a form of proxy. A beneficial owner of an interest in Notes held through a DTC direct participant must direct such DTC direct participant to deliver a form of proxy on its behalf.

Any DTC direct participant who intends to deliver one or more properly completed forms of proxy should deliver the same by registered mail, hand delivery, overnight courier or by e-mail or facsimile (with an original delivered subsequently) to the Tabulation Agent at its address, e-mail address or facsimile number set forth below. Such forms of proxy must be received by the Tabulation Agent no later than 48 hours before the time fixed for the relevant Meeting.

The ownership of Notes held through DTC by DTC direct participants shall be established by a DTC security position listing provided by DTC as of the Record Date.

3.5 General provisions relating to the Meetings:

The quorum required at each Meeting is one or more persons present holding voting certificates or being proxies and representing in the aggregate over 50 per cent. of the aggregate Sterling Equivalent Principal Amount Outstanding of the Notes of the relevant Class for the time being outstanding.

If a quorum is not present at any Meeting within 15 minutes or such longer period not exceeding 30 minutes as the Chairman may decide from the time fixed for the relevant Meeting, such Meeting will be adjourned in accordance with the provisions of the Trust Deed and the Extraordinary Resolutions shall be considered at the adjourned Meeting (notice of which will be given to the Noteholders of the relevant Class). At any adjourned meeting, the quorum required is one or more persons present holding voting certificates or being proxies (whatever the aggregate Sterling Equivalent Principal Amount Outstanding of the Notes of such Class so represented by them). Noteholders should note that voting certificates obtained and proxies appointed in respect of a Meeting shall remain valid for the relevant adjourned Meeting unless validly revoked.

Every question submitted to each Meeting will be decided in the first instance by a show of hands

unless a poll is duly demanded (before or on the declaration of the result on the show of hands) by the Chairman of such Meeting, the Issuer, the Trustee or by any person present holding a voting certificate or being a proxy (whatever the principal amount of Notes of the relevant Class so held or represented by him). On a show of hands every person who is present in person and produces a voting certificate or is a proxy shall have one vote. On a poll every person who is so present in person and produces a voting certificate or is a proxy shall have one vote in respect of each £1.00 in Sterling Equivalent Principal Amount Outstanding of the Notes represented or held by him.

In the case of equality of votes, the Chairman of the Meeting shall, both on a show of hands and on a poll, have a casting vote.

To be passed, the Extraordinary Resolution requires a majority in favour consisting of not less than 75 per cent. of the persons voting at the Meeting upon a show of hands or, if a poll is duly demanded, by a majority consisting of not less than 75 per cent. of the votes cast on such poll, as the case may be.

If an Extraordinary Resolution is duly passed by the holders of the relevant Class of Existing Notes, it will be binding on all Existing Noteholders of such Class, including those Existing Noteholders who did not attend the relevant Meeting or who attended or were represented and who voted against such Extraordinary Resolution.

Without prejudice to the obligations of proxies named in any block voting instruction, any person entitled to more than one vote need not use all such votes or cast all such votes in the same way.

Noteholders who hold their notes through the Clearing Systems should contact the relevant Clearing System with any questions and requests for assistance in relation to the voting process (including the blocking of Notes).

Noteholders who hold their notes through an intermediary should contact such intermediary with any questions and requests for assistance in relation to the voting process.

All Existing Noteholders will be notified of the result of voting on the Extraordinary Resolution in accordance with the Trust Deed promptly once such result is known (and in any event within 14 days of the Meeting).

The attention of the Existing Noteholders is particularly drawn to the quorum required for the Meeting as set out above.

Having regard to such requirements, the Existing Noteholders are requested to take steps to be represented at the Meeting, as referred to above, as soon as possible or to make arrangements to attend in person.

This Meeting Notice and any non-contractual obligation arising out of or in connection with it, is governed by English law.

The Paying Agents/Tabulation Agent with respect to the Existing Notes are as follows:

Principal Paying Agent
The Bank of New York Mellon, London
Branch
One Canada Square
London E14 5AL
Contact: Corporate Trust Administration

U.S Paying Agent
The Bank of New York Mellon
101 Barclay Street
New York
USA 10286

(Structured Finance)
Fax: +44 (0) 20 7964 6399

Contact: Corporate Trust
Administration
Fax: +1 212 815 5915

Irish Paying Agent

The Bank of New York Mellon SA/NV, Dublin
Branch

4th Floor, Hanover Building
Windmill Lane
Dublin 2
Fax: +353 19006999
Email: Co.Sec.Dublin@bnymellon.com

Tabulation Agent
Lucid Issuer Services Limited

Leroy House
436 Essex Road
London N1 3QP
United Kingdom

Contact: Victor
Parzyjagla
Telephone: +44 (0) 20
7704 0880
Email: sps@lucid-
is.com
Fax: +44 (0) 20
7067 9098

3.6 This notice is given by the Issuer.

10 November 2014

SECTION 6 - Definitions

Capitalised terms used but not defined in this Consent Solicitation Memorandum shall, unless the context otherwise requires, have the meanings set out in the Master Definitions Schedule, the Trust Deed and/or the Terms and Conditions.

"**144A Notes**" means the B1a Notes represented by the B1a Rule 144A Global Note, the B1c Notes represented by the B1c Rule 144A Global Note, the C1a Notes represented by the C1a Rule 144A Global Note, the C1c Notes represented by the C1c Rule 144A Global Note and the D1a Notes represented by the D1a Rule 144A Global Note, as applicable.

"**Amendment Deeds**" means the First Amendment Deed and the Second Amendment Deed, and "**Amendment Deed**" means any one of them.

"**Approving Noteholder**" has the meaning set out in Section 1, part 3 hereof.

"**Class**" means the Existing Class B Notes, the Existing Class B1a Notes, the Existing Class B1c Notes, the Existing Class C Notes, the Existing Class D Notes or the Existing Class E Notes, as the context so requires.

"Clearing Systems" means Euroclear Bank S.A./N.V., Clearstream Banking, société anonyme, Luxembourg and DTC.

"Consent Fee" means:

(a) in respect of the First Proposed Amendments, a percentage, depending on the Class of Notes as set out in the table below, of the Principal Amount Outstanding of the Notes held by the Approving Noteholder on the date of the Meeting in respect of which that Approving Noteholder has voted in favour of the First Extraordinary Resolution.

Class Fee Rate	
B	0.30%
C	0.40%
D	0.50%
E	0.60%

(b) in respect of the Second Proposed Amendments, a percentage, depending on the Class of Notes as set out in the table below, of the Principal Amount Outstanding of the Notes held by the Approving Noteholder on the date of the Meeting in respect of which that Approving Noteholder has voted in favour of the Second Extraordinary Resolution.

Class Fee Rate	
B	0.10%
C	0.10%
D	0.10%
E	0.10%

"Deed Poll" means the deed poll entered into by Lloyds on or about the date hereof in favour of each Approving Noteholder.

"DTC Noteholders" means any holder of Notes directly or indirectly in DTC.

"DTC Participant" means those direct participants referred to in the omnibus proxy issued by DTC.

"DTC Notes" means any Note registered in the name of DTC or its nominee.

"Existing Class B Notes" means the Class B1a Notes and the Class B1c Notes.

"Existing Class C Notes" means the Class C1a Notes and the Class C1c Notes.

"Existing Class D Notes" means the Class D1a Notes and the Class D1c Notes.

"Existing Class E Notes" means the Class E1c Notes.

"Extraordinary Resolutions" means the extraordinary resolutions to approve the Proposed Amendments and their implementation to be proposed and considered at the Meeting, as set out in *"Form of Meetings Notice and Extraordinary Resolutions"*, and **"Extraordinary Resolution"** means any one of them.

"Final Voting Deadline" means such time on 3 December 2014 as is 48 hours prior to the relevant Meeting or, if the Meeting is adjourned, such time on such date as is 48 hours prior to any adjourned Meeting.

"First Extraordinary Resolution" means the extraordinary resolution proposed at the Meetings in respect of the First Proposed Amendments.

"First Amendment Deed" means the deed of amendment to the Liquidity Facility Agreement implementing the First Proposed Amendments.

"First Proposed Amendments" means the Proposed Amendments described in Section 1, part 4 (*Re-sizing of Liquidity Facility*) of this Consent Solicitation Memorandum as set out in the First Amendment Deed.

"Meetings" means the meetings of Noteholders to be held on 5 December 2014 to consider and, if thought fit, pass the Extraordinary Resolutions in respect of the Proposed Amendments and their implementation or any adjourned such meeting (and each individually, a **"Meeting"**).

"Meetings Provisions" means the provisions for meetings of Noteholders set out in Schedule 3 (*Provisions for Meetings of Noteholders*) to the Trust Deed.

"Pool Factor" means, in respect of a Note, the fraction expressed as a decimal to the tenth point of which the numerator is the Principal Amount Outstanding of such Note and the denominator is the principal amount of that Note on issue expressed as an entire integer, as determined by the Cash/Bond Administrator.

"Proposed Amendment Date" means, if an Extraordinary Resolution is duly passed by the relevant Noteholders, the Business Day following the Meeting or adjourned Meeting at which the final relevant Extraordinary Resolution is passed and the First Proposed Amendment Date and the Second Proposed Amendment Date will be construed accordingly.

"Proposed Amendments" means the First Proposed Amendments and the Second Proposed Amendments.

"Report Agent" means Lucid Issuer Services Limited.

"Second Amendment Deed" means the deed of amendment to the Liquidity Facility Agreement implementing the Second Proposed Amendments.

"Second Extraordinary Resolution" means the extraordinary resolution proposed at the Meetings in respect of the Second Proposed Amendments.

"Second Proposed Amendments" means the Proposed Amendments described in Section 1, part 5 (*Reversal of Stand-by Drawing*) of this Consent Solicitation Memorandum, as set out in the Second Amendment Deed.

"Tabulation Agent" means Lucid Issuer Services Limited.

Issuer

Southern Pacific Securities 05-2 PLC
4th Floor

40 Dukes Place

London EC3A 7NH

TABULATION AGENT

Lucid Issuer Services Limited

Leroy House

436 Essex Road

London N1 3QP

United Kingdom

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