

## Guarantee

THIS INSTRUMENT by way of deed poll is executed on 29 January 2008 by ABBEY NATIONAL plc (registered in England No. 2294747) whose registered office is at Abbey National House, 2 Triton Square, Regent's Place, London NW1 3AN (the 'Guarantor')

**WHEREAS:**

Cater Allen Limited, a company incorporated in England (number 383032) whose principal office is at Abbey National House, 2 Triton Square, Regent's Place, London NW1 3AN ("Cater Allen"), has requested the Guarantor and the Guarantor has agreed to guarantee payment of all Obligations (as hereinafter defined) in accordance with, and as limited by, the terms and conditions of this Deed (the "Guarantee").

NOW THEREOF the Guarantor hereby covenants and agrees as follows:

1. In this Guarantee, unless the context otherwise requires:

"Creditor" means any person (other than Cater Allen or any subsidiary of Cater Allen (as defined in section 736 of the Companies Act 1985 (the "Act")) or any individual who is a connected person of Cater Allen within the meaning of section 346 of the Act) to whom an Obligation is from time to time owed;

"Obligation" means any obligation or liability, either primary or contingent, lawfully incurred by Cater Allen to any person on or before 31 July, 2012 (whether before or after the execution of this Guarantee) under or in respect of any dealing, transaction or engagement whatsoever, including without prejudice to the generality of the foregoing, for

(i) any moneys lent, advanced or otherwise made available to Cater Allen (including, without limitation to the generality of the foregoing, the liability of Cater Allen for drawing or issuing bills of exchange, promissory notes, bonds, debentures, certificates of deposit, commercial paper or other negotiable instruments or securities);

(ii) any moneys lent, advanced or otherwise made available to any person, the repayment or payments in respect of which have been guaranteed by Cater Allen or in respect of which Cater Allen has given an indemnity (including, without limitation to the generality of the foregoing, guarantees and letters of credit issued by Cater Allen and bills of exchange or other negotiable instruments accepted or endorsed by Cater Allen);

(iii) any moneys which any person shall pay or become liable to pay, for or on account of Cater Allen, by reason of entering into or being party to any bond, indemnity, bill of exchange, guarantee, letter of credit or other engagement for the benefit or at the request of Cater Allen;

(iv) deposits made with Cater Allen (including, without limitation of the generality of the foregoing, certificates of deposit issued by Cater Allen);

(v) foreign exchange transactions to which Cater Allen is a party (including, without limitation of the generality of the foregoing, foreign exchange contracts, hedge settlement contracts, foreign exchange options, foreign exchange futures, and currency exchange or 'swap' agreements and cross-currency interest rate exchange or 'swap' agreements);

(vi) interest rate transactions to which Cater Allen is a party (including, without limitation to the generality of the foregoing, interest rate options, interest rate futures, forward rate agreements, interest rate exchange or 'swap' agreements and cross-currency interest rate exchange or 'swap' agreements);

and payments of interest due from Cater Allen with respect to any of the foregoing transactions (whether or not the liability to pay such interest arises on or before 31 July, 2012) together with all reasonable costs, commissions and other expenses incurred by any person in connection with the enforcement of this Guarantee and for the avoidance of doubt, 'Obligations' shall include any such obligation or liability assumed under or incurred pursuant to any novation, transfer, assignment or other similar agreement between Cater Allen and any other person (including, without limitation to the generality of the foregoing, any such agreement relating to the obligations or liabilities of Abbey National Building Society) and references in this definition to 'Cater Allen' shall include persons whose obligations or liabilities have been so assumed by Cater Allen;

"person" means any person, firm, trust estate, corporation, association, cooperative, government or government agency or other entity.

2. (a) The Guarantor hereby unconditionally and irrevocably guarantees, for the benefit of each Creditor, in accordance with the terms and conditions of this Guarantee, the full payment by Cater Allen when due (whether at stated maturity, upon acceleration or otherwise) of each and every Obligation and in the event that Cater Allen shall default in the due and punctual payment of any Obligation, undertakes to pay, or procure the payment of, such Obligations in the currency in which the particular Obligation is denominated in the case of a payment upon written demand being made under this Guarantee by the relevant Creditor.  
  
(b) The Guarantor waives any right it may have of first requiring any Creditor to make demand, proceed or enforce any rights or security against Cater Allen or any other person before making a claim against the Guarantor under this Guarantee.
3. A Creditor shall only be entitled to take or obtain the benefit of this Guarantee upon the condition that, after receipt by the Guarantor of a written demand from the Creditor, the Guarantor shall be entitled to deal with the Creditor, and the Creditor shall be obliged to deal with the Guarantor with respect to the Obligation due to the Creditor and this Guarantee without the necessity or duty to rely on, act through or otherwise involve or deal with Cater Allen to the intent that the Guarantor and the Creditor shall deal with one another as principals in relation to the same provided that the rights, powers, privileges and remedies of the Creditor under this Guarantee shall not thereby be in any way limited or otherwise affected.
4. No delay or omission on the part of the Creditor in exercising any right, power, privilege or remedy (hereinafter together called "Rights") in respect of this Guarantee shall impair any such Rights or be construed as a waiver of any thereof nor shall any single or partial exercise of any such Rights preclude any further exercise of any other Rights. The Rights herein provided are cumulative and not exclusive of any rights, powers, privileges or remedies provided by law. Nothing in this Guarantee shall be construed as voiding, negating or restricting any right of set-off or any other right whatsoever existing in favour of a Creditor or arising at common law, by statute or otherwise howsoever.
5. This Guarantee is a continuing guarantee and shall not be satisfied, discharged or affected by any intermediate payment or settlement of account.
6. The Guarantor will not exercise any rights of subrogation or any other rights or remedy (including, without limiting the generality of the foregoing, the benefit of any security or right of set-off) which it may acquire due to its payment of any Obligation pursuant to the terms of this Guarantee and will not prove in the liquidation of Cater Allen in competition with any Creditor unless and until all Obligations in respect of the relevant Creditor hereby guaranteed have been satisfied in full by the Guarantor or Cater Allen. In the event that the Guarantor shall receive any payment on account of such rights while any Obligation remains outstanding, the Guarantor shall pay all amounts so received to the relevant Creditor.

7. Payments hereunder shall be made free and clear of any deduction or withholdings other than those required by law and in that event the Guarantor shall pay such additional amount to the relevant Creditor as may be necessary in order that the actual amount received after all such deductions and withholdings shall equal the amount that would have been received if no such deduction or withholding were required provided that the Guarantor shall not be obliged to pay any such additional amount which would not have been payable if the payment which is the subject of the withholding or deduction had been made by Cater Allen. If the Guarantor makes a payment of an additional amount in compliance with its obligations under this paragraph and the Creditor determines that it has received or been granted a credit against or relief or payment of any tax paid or payable by it in respect thereof the Creditor shall to the extent that it can do so without prejudice to the retention of the amount of such credit, relief or repayment pay to the Guarantor such amount as shall be attributable to such deduction provided that nothing contained in this paragraph shall interfere with the right of any Creditor to arrange its tax affairs in whatsoever manner it thinks fit and, in particular, no Creditor shall be under any obligation to claim relief in respect of any such deduction in priority to any other claims for relief available to it.
8. Any demand or notice hereunder shall be given in writing or by cable, telex or facsimile transmission addressed to the Guarantor or to the person to or upon whom the demand is to be made or the notice served at the registered or principal office or last known place of abode of the Guarantor or of such person, as the case may be. A demand so made shall be deemed to have been duly made if left at such address on the day it was so left or, if sent by post, two weekdays after the time when the same was put in the post and in proving delivery it shall be sufficient to prove that the same was properly addressed and put in the post. Any such demand sent by cable, telex or facsimile transmission shall be deemed to have been duly made at the time of despatch.
9. The liability of the Guarantor under this Guarantee shall not be affected by the liquidation, winding-up or other incapacity of Cater Allen. In the event that any payment to a Creditor from Cater Allen in respect of an Obligation is avoided or reduced by virtue of any enactments for the time being in force relating to liquidation or insolvency the Creditor shall be entitled to recover the value or amount thereof from the Guarantor as if such payment by Cater Allen had not been made.
10. This Guarantee shall remain in full force and effect irrespective of the validity, regularity, legality or enforceability against Cater Allen of, or of any defence or counter-claim whatsoever, available in relation to, any Obligations whether or not any action has been taken to enforce the same or any judgement obtained against Cater Allen or any other person, whether or not any time or indulgence has been granted to Cater Allen or any other person by or on behalf of any Creditor, whether or not there have been any dealings or transactions between Cater Allen or any other person and any of the Creditors, whether or not Cater Allen or any other person has been dissolved, liquidated, merged, consolidated, become bankrupt or has changed its status, functions, control or ownership, whether or not Cater Allen or any other person has been prevented from making payment by foreign exchange provisions applicable at its place of registration or incorporation and whether or not any circumstances have occurred which might otherwise constitute a legal or equitable discharge of or defence to a guarantor.
11. In the event that any of the terms or provisions of this Guarantee are or shall become invalid, illegal or unenforceable, the remaining terms and provisions hereof shall survive unaffected.
12. The Guarantor shall be permitted from time to time and at any time to amend or vary the terms of this Guarantee PROVIDED THAT the liability of the Guarantor to a Creditor in respect of any Obligation incurred before or arising out of an Obligation entered into, before the date of such variation or amendment, shall not be in any way reduced or limited by such variation or amendment. Any person shall be entitled to rely on a certificate given by a director or other duly authorised officer of the Guarantor as to the existence and extent of this Guarantee and any such variation and/or amendment of this Guarantee on entering into any dealing, transaction or arrangement with Cater Allen under or in respect of which an Obligation would or might be incurred by Cater Allen to that person.
14. This Guarantee shall be governed by and construed in accordance with English law.

IN WITNESS whereof, this Guarantee has been executed as of the day and year first written above.

THE COMMON SEAL of )  
ABBEY NATIONAL PLC )  
was hereunto affixed )  
in the presence of: )

4579/08



.....  
Shaun Coles  
Deputy Company Secretary



CD980090199

Cater Allen Private Bank is able to provide literature in alternative formats. The formats available are: Large Print (as recommended by RNIB), Braille, Audio Tape and PC Disk. If you would like to register to receive correspondence in an alternative format please contact us on 0800 092 3300. For the hard of hearing and/or speech impaired please use the Typetalk service via 18001 0800 092 3300.

Cater Allen Private Bank is the name used for banking services provided by Cater Allen Limited. Registered Office: Abbey National House, 2 Triton Square, Regent's Place, London, NW1 3AN. Registered in England number 383032. Authorised and regulated by the Financial Services Authority. Cater Allen Limited is one of the Abbey group of companies. Cater Allen and the flame logo are registered trademarks. All deposits held with Cater Allen Private Bank are fully and unconditionally guaranteed by Abbey National plc. Calls may be recorded or monitored. [www.caterallen.co.uk](http://www.caterallen.co.uk)

CAPB0461 MAR 08 LD