

**Form of Rule 144A Global Certificate to Regulation S Global Certificate -
Transfer Certificate of Each Class**

[Date]

Lothian Mortgages (No.2) PLC
Fifth Floor
100 Wood Street
London
EC2V 7EX

Citibank, N.A.
5 Carmelite Street
London
EC4Y 0PA
(as Second Issuer Registrar)

Dear Sirs

In connection with the transfer by _____ (the "**Transferor**") of [U.S.\$/€/£][
] in principal amount of such Transferor's beneficial interest in the Class
[A1/A2/A3/A4/B/C1/C2/D] Mortgage Backed Floating Rate Notes due [October
2018/July 2038] (the "**Second Notes**") of Lothian Mortgages (No.2) PLC (the "**Second
Issuer**") represented by a Rule 144A Global Certificate and to which this form of transfer
relates, _____ (the "**Transferee**") will receive a beneficial interest in
the Second Notes represented by the Regulation S Global Certificate. Capitalised terms
used but not defined herein are used as defined in the Second Issuer Agency Agreement.
In connection with such transfer, and in respect of such Second Note (or beneficial
interest therein), the Transferor does certify that (i) such transfer to the Transferee has
been effected in accordance with the transfer restrictions applicable to Regulation S
Notes set forth in Schedule 1 (*Transfer, Exchange and Registration Documentation*) Part
A (*Regulations concerning transfers and registration of the Second Notes*) of the Second
Issuer Agency Agreement and the Offering Circular dated 15 September 2003 relating to
such Second Notes, and has provided notice to the Transferee that such Regulation S
transfer restrictions will apply to any offers, transfers or resales by the Transferee, (ii)
such transfer was effected in an offshore transaction meeting the requirements of
Regulation S ("**Regulation S**") under the U.S. Securities Act of 1933 (the "**Securities
Act**"), as amended and (iii):

1. the offer and sale of the Second Notes (or beneficial interest therein) was not made to
a U.S. person (as defined under Regulation S);
2. at the time the buy was originated, the Transferee was outside the United States or the
Transferor and any person acting on its behalf reasonably believed that the Transferee
was outside the United States;

3. no directed selling efforts have been made in contravention of the requirements of Rule 903 or 904 of Regulation S, as applicable; and
4. the transaction is not part of a plan or scheme to evade the registration requirements of the Securities Act.

The Second Issuer, the Second Issuer Note Trustee, the Second Issuer Registrar and the Second Issuer Transfer Agency are entitled to rely upon this letter and are irrevocably authorised to produce this letter or a copy hereof to any interested party in any administrative or legal proceeding or official inquiry with respect to the matters covered hereby.

Dated.....

By:.....

(duly authorised) on behalf of Transferor

Second Notes:

- (a) The signature of the person effecting a transfer shall conform to any list of duly authorised specimen signatures supplied by the registered holder or be certified by a recognised bank, notary public or in such other manner as the Second Issuer Registrar or the Second Issuer Transfer Agent may require.
- (b) Any transfer of Rule 144A Global Certificates to Regulation S Global Certificates shall be in a nominal amount equal to U.S.\$100,000 with respect to the Class A1 Notes, the Class A2 Notes and the Class C2 Notes and in integral multiples thereof, £100,000 with respect to the Class A4 Notes and in integral multiples thereof or €100,000 with respect to the Class A3 Notes, the Class B Notes, the Class C1 Notes and the Class D Notes and in integral multiples thereof.