Supplement dated 16 January 2020 to the base prospectus dated 22 May 2019

LANARK MASTER ISSUER PLC

(incorporated in England and Wales with limited liability under registered number 6302751)

£20 billion Residential Mortgage Backed Note Programme
(ultimately backed by the mortgages trust)

This supplement (this "**supplement**") is supplemental to and must be read in conjunction with the base prospectus dated 22 May 2019 (the "**base prospectus**") prepared in connection with the £20 billion residential mortgage backed note programme (the "**programme**") established by Lanark Master Issuer plc (the "**issuer**"). This supplement comprises a supplementary prospectus in respect of the base prospectus for the purposes of Section 87G of the Financial Services and Markets Act 2000 ("**FSMA**") as that provision stood immediately prior to 21 July 2019.

This supplement has been approved by the Financial Conduct Authority as competent authority under FSMA as a supplementary prospectus for the purposes of Directive 2003/71/EC, as amended (the "**Prospectus Directive**") and relevant implementing measures in the United Kingdom.

The purpose of this supplement is to update the existing information included in the base prospectus and to reflect and disclose to investors: (i) an amendment to the definition of "Standard & Poor's"; (ii) amendments to the risk factors entitled "*Competition in the UK mortgage loan industry and declines in mortgage approvals could increase the risk of the occurrence of a trigger event*", "*Risks relating to the discontinuation of LIBOR and EURIBOR*", "*Changes to MCoB*", "*Mortgages Market Study*" and "*Risks in relation to the United Kingdom's vote to leave the European Union*"; (iii) inclusion of a risk factor entitled "*Mortgage Credit (Amendment) (EU Exit) Regulations 2019*"; (iv) updates to the sections of the base prospectus entitled "*Capitalisation and Financial Statements*" in respect of the issuer and Funding, in each case as described in more detail below; (v) updates to the section headed "Issuer swap providers, or any credit support provider of an issuer swap provider" in the table headed "RATING TRIGGERS TABLE"; (vi) updates to the sections of the base prospectus entitled "*Clydesdale Bank and YBHL*" and "*BNP PARIBAS*" ; and (vii) amendments to the proviso under the heading entitled "*Assignment conditions*" in the section entitled "*Assignment of the Mortgage Loans and Related Security*".

Investors should be aware of their rights under section 87Q(4)-(6) of FSMA as such provisions stood immediately prior to 21 July 2019. In particular where a supplement has been published and, prior to the publication, a person agreed to buy or subscribe for transferable securities to which it relates, he may withdraw his acceptance before the end of the period of 2 working days beginning with the first working day after the date on which the supplement was published.

The issuer accepts responsibility for the information contained in this supplement. Having taken all reasonable care to ensure that such is the case, the information contained in this supplement is, to the best of the knowledge of the issuer, in accordance with the facts and does not omit anything likely to affect the import of such information.

Terms defined in the base prospectus shall, unless the context otherwise requires, have the same meaning when used in this supplement.

To the extent that there is any inconsistency between (a) any statement in this supplement or any statement incorporated by reference into the base prospectus by this supplement and (b) any other statement in, or incorporated by reference into, the base prospectus, the statements in item (a) above will prevail.

The purpose of this supplement is to disclose that:

1. the reference to "Standard & Poor's Credit Market Services Europe Limited" in the definition of "**Standard & Poor's**" in the section entitled "*Credit rating agencies*" on page iii of the base prospectus shall be replaced with "S&P Global Ratings Europe Limited".
2. the risk factor entitled "*Competition in the UK mortgage loan industry and declines in mortgage approvals could increase the risk of the occurrence of a trigger event*" in the section headed "***RISK FACTORS***" on page 18 of the base prospectus shall be replaced with the following:

"Competition in the UK mortgage loan industry and declines in mortgage approvals could increase the risk of the occurrence of a trigger event

The mortgage loan industry in the United Kingdom is highly competitive. This competitive environment, together with the risk of a downturn or continued downturn in the United Kingdom economy, may affect the rate at which mortgage loans are originated by the originators and may also affect the repayment rate of the existing borrowers of the originators. The mortgage approval rules that require a lender to conduct a full affordability check on potential mortgage applicants were introduced by the FCA in April 2014, which resulted in a fall in the number of mortgage approvals immediately after the new rules were implemented. If the rate at which mortgage loans are originated by the originators declines significantly or if existing borrowers refinance their mortgage loans with lenders other than the originators then the risk of a trigger event occurring increases, which could result in an early redemption of your notes or a delay in the repayment of your notes. On 12 December 2016, the FCA launched a market study focusing on areas where competition can potentially be improved for the benefit of consumers. The FCA published the final report in March 2019 (MS16/2.3). Please refer to "*Mortgages Market Study*" below for further information on this report."

3. a new paragraph five shall be added to the risk factor entitled "*Risks relating to the discontinuation of LIBOR and EURIBOR*" in the section headed "***RISK FACTORS***" on page 30 of the base prospectus as follows:

   "On 7 January 2020 the issuer launched a consent solicitation process to seek the consent of the holders of certain existing classes of notes to the modification of the terms and conditions of such notes and consequential or related amendments to certain transaction documents in connection with such notes such that the existing sterling LIBOR interest basis is replaced by a Compounded Daily SONIA interest basis. If the consent of the noteholders of a relevant class is obtained, the modifications in relation to such class of notes and such consequential or related amendments to certain transaction documents are expected to be implemented with effect from the interest payment date following the passing of the relevant extraordinary resolution. There can be no guarantee that the consent of any or all of the relevant class of noteholders will be obtained and, consequently, that the modifications to the terms and conditions of such notes and such consequential or related amendments to certain transaction documents will be implemented."

4. a new paragraph five shall be added to part (i) "*Changes to MCoB*" in the risk factor entitled "*Recent and proposed changes to United Kingdom mortgage regulation and, more generally, consumer credit regulation may adversely affect the loans and payments on the notes as and when implemented*" in the section headed "***RISK FACTORS***" on page 45 of the base prospectus as follows:

   "Further changes to MCoB under Policy Statement 19/27 (to take account of removing barriers to switching to a more affordable mortgage) are discussed further below under "*Mortgages Market Study*"."

5. a new part (iii) "*Mortgage Credit (Amendment) (EU Exit) Regulations 2019*" shall be added to the risk factor entitled "*Recent and proposed changes to United Kingdom mortgage regulation and, more generally, consumer credit regulation may adversely affect the loans and payments on the notes as and when implemented*" in the section headed "***RISK FACTORS***" on page 46 of the base prospectus as follows:

   "Mortgage Credit (Amendment) (EU Exit) Regulations 2019

   The Mortgage Credit (Amendment) (EU Exit) Regulations 2019 will take effect on the date of the UK's exit from the European Union, as part of the complementary legislation to be enacted by the United Kingdom parliament as part of the UK's withdrawal from the European Union.

   This statutory instrument does not make any substantial policy changes. However, there are certain necessary amendments that are required once the United Kingdom is no longer part of the European Union."

6. the risk factor entitled "*Mortgages Market Study*" in the section headed "**RISK FACTORS**" on page 46 of the base prospectus shall be replaced with the following:

"**Mortgages Market Study**

In December 2016, the FCA commenced a market study into competition in the mortgage market. The FCA published the final report in March 2019 (MS16/2.3). The report explains the FCA's final findings on whether competition in the mortgage market works for the benefit of consumers. Although generally positive, the FCA also found that the market falls short in certain ways. In light of this study, in March 2019, the FCA issued consultation paper "CP19/14: Mortgage customers: proposed changes to responsible lending rules and guidance". In this paper, the FCA proposed to make some changes to its rules to reduce regulatory barriers to consumers who are up-to-date with payments switching to a more affordable mortgage. The FCA market study found that some consumers cannot switch to a more affordable mortgage despite being up-to-date with their mortgage payments. This includes those who cannot switch because of changes to lending practices during and after the 2008 financial crisis and the subsequent regulation that tightened lending standards and those who are unable to switch for different reasons - so called 'mortgage prisoners'.

On the 28 October 2019 the FCA published Policy Statement 19/27 which details the amendments being made by the FCA to their responsible lending rules and guidance to help remove potential barriers for switching to a more affordable mortgage and to reduce the time and costs of switching.

The changes brought in by the FCA mean that mortgage lenders can choose to undertake a modified affordability assessment where the consumer:

- has a current mortgage;
- is up-to-date with their mortgage payments (and has been for the last 12 months);
- does not want to borrow more, other than to finance any relevant product fee or arrangement fee for that mortgage; and
- is looking to switch to a new mortgage deal on their current property.

Under the modified assessment, mortgage lenders must not enter into a new regulated mortgage contract with an eligible consumer unless they can demonstrate that the new mortgage is more affordable than their present one.

Clydesdale Bank and YBHL have not opted to adopt the modified affordability assessment.

The FCA now also requires that:

- inactive lenders and administrators acting for unregulated entities must review their customer books to identify eligible consumers and implement a communication strategy for contacting the relevant consumers to tell them that it could be simpler for them to remortgage.
- Mortgage lenders which make use of the modified affordability assessment will be required to disclose to consumers the basis on which their affordability has been assessed and provide some additional disclosures about potential risks.
- Mortgage lenders will be required to flag which mortgages have been sold using the modified affordability assessment when submitting product sales data reports to the FCA."

7. the risk factor entitled "*Risks in relation to the United Kingdom's vote to leave the European Union*" in the section headed "***RISK FACTORS***" on page 63 of the base prospectus shall be replaced with the following:

"**Risks in relation to the United Kingdom's vote to leave the European Union**

Following a referendum vote on 23 June 2016 (the "**Brexit Vote**") and a formal notice given by the United Kingdom to the European Union on 29 March 2017 (the "**Article 50 Notice**") under Article 50 of the Treaty on the European Union ("**Article 50**") the United Kingdom will leave the European Union on 31 January 2020 at 11pm local time, in the absence of any further extensions. At that time, the EU treaties automatically cease to apply to the UK. However, as part of the withdrawal agreement agreed between the UK and the EU, an implementation period has been agreed in principle which would extend the application of EU law, and provide for continuing membership of the EU single market until the end of 2020 (with a possibility of extension). This is subject to the withdrawal agreement receiving all approvals required for its implementation before 31 January 2020 at 11pm.

The terms of the UK's exit from the EU, including the future relationship, are also unclear. Notwithstanding that a withdrawal agreement has been negotiated between the UK government and the EU, approvals are still required for it to be implemented. It therefore still remains possible that the UK will leave the EU on 31 January 2020 with no withdrawal agreement if the agreement reached is not approved by all relevant parties within the allotted time. If the UK leaves the EU with no withdrawal agreement, it is likely that a high degree of political, legal, economic and other uncertainty will result. In any case, the withdrawal agreement does not in general address the future relationship between the EU and the UK, which will need to be the subject of a separate agreement negotiated following the UK's exit from the EU.

In addition to the economic and market uncertainty this brings (see "market uncertainty" below) there are a number of potential risks in relation to your notes that you should consider:

(i) ***Legal uncertainty***

A significant proportion of English and Scots law currently derives from or is designed to operate in concert with European Union law. This is especially true of English and Scots law relating to financial markets, financial services, prudential and conduct regulation of financial institutions, bank recovery and resolution, payment services and systems, settlement finality and market infrastructure. In the absence of a withdrawal agreement, the European Union (Withdrawal) Act 2018 (the "**Withdrawal Act** ") will incorporate most of the existing EU law acquis into UK law the moment before the UK ceases to be a member of the EU, with the intention of limiting immediate legal change. The Withdrawal Act grants the UK Government wide powers to make secondary legislation in order to, among other things, implement any withdrawal agreement and to adapt retained EU law that would otherwise not function sensibly once the UK has left the EU, on the whole with minimal parliamentary scrutiny. The secondary legislation made under those powers would be able to do anything that could be done by an act of Parliament. Over time, however – and depending on the timing and terms of the UK's exit from the EU – significant changes to English and Scots law in areas relevant to the programme and the parties to the programme documents are likely. The issuer cannot predict what any such changes will be and how they may affect the issuer's ability to make payments of principal and interest under the notes.

(ii) ***Regulatory uncertainty***

The UK's exit from the EU may also have a significant impact on how financial institutions from the remaining EU ("**EU27**") with assets (including branches) in the UK will be regulated and *vice versa*. At present, EU single market regulation allows regulated financial institutions (including credit institutions, investment firms, alternative investment fund managers, insurance and reinsurance undertakings) to benefit from a pass-porting system for regulatory authorisations required to conduct their businesses, as well as facilitating mutual rights of access to important elements of market infrastructure such as payment and settlement systems. EU law is also the framework for mutual recognition of bank recovery and resolution regimes.

Once the UK ceases to be a Member State of the EU (and following the end of any implementation period under the withdrawal agreement between the UK and the EU), the current passporting arrangements will cease to be effective, as will the current mutual rights of access to market infrastructure and current arrangements for mutual recognition of bank recovery and resolution regimes. The ability of regulated financial institutions to continue to do business between the UK and the EU27 after the UK ceases to be a Member State of the EU (and following the end of any implementation period) would therefore be subject to separate arrangements between the UK and the EU27. The UK government has taken various steps to mitigate the disruption that would result in the event that the UK leaves the EU with no withdrawal agreement, including the creation of a temporary permissions regime which would allow EU27 firms that currently rely on passporting rights to continue their activities in the UK for up to 3 years after exit day and a more limited run-off regime intended to address contract continuity issues. Nevertheless, regulatory uncertainty remains which could adversely impact the ability of third parties (including parties to the programme documents) who are regulated financial institutions to provide services to the issuer and Funding.

(iii) ***Market uncertainty***

Since the Brexit Vote, there has been volatility and disruption of the capital, currency and credit markets, including the market for asset-backed securities. There may be further volatility and disruption depending on the conduct and progress of the exit process and negotiations surrounding the future relationship between the UK and the EU.

Potential investors should be aware that these prevailing market conditions affecting asset-backed securities could lead to reductions in the market value and/or a severe lack of liquidity in the secondary market for instruments similar to the notes. Such falls in market value and/or lack of liquidity may result in investors suffering losses on the notes in secondary resales even if there is no decline in the performance of the mortgage portfolio. In addition, as noted under "- *market volatility*" above, any increased disruption in the financial markets may affect the rate at which the originators originate mortgage loans, which would in turn increase the risk of a non-asset trigger event occurring.

The issuer cannot predict when these circumstances will change and whether, if and when they do change, there would be an increase in the market value and/or there will be a more liquid market for the notes and instruments similar to the notes at that time.

(iv) ***Counterparty risk***

Counterparties on a transaction under the programme may be unable to perform their obligations due to changes in regulation, including the loss of existing regulatory rights to do cross-border business. Additionally, they may be adversely affected by rating actions or volatile and illiquid markets (including currency markets and bank funding markets) arising from the Brexit Vote, the Article 50 Notice and the conduct and progress of the exit process and negotiations surrounding the future relationship between the UK and the EU. As a result, there is an increased risk of such counterparties becoming unable to fulfil their obligations which could have an adverse impact on their ability to provide services to the issuer and Funding and, accordingly, on the ability of the issuer to make payments of interest and repayments of principal under the notes. See "*The issuer and Funding will both rely on third parties and you may be adversely affected if they fail to perform their obligations*" above.

(v) ***Adverse economic conditions affecting borrowers***

The uncertainty and market disruption following the Brexit Vote the exit process and negotiations surrounding the future relationship between the UK and the EU may cause investment decisions to be delayed, reduce job security and damage consumer confidence. The resulting adverse economic conditions may affect borrowers' willingness or ability to meet their obligations under the mortgage loans, resulting in increased defaults in the mortgage portfolio and may ultimately affect the ability of the issuer to pay interest and repay principal under the notes.

(vi) ***Wider UK constitutional implications***

The Brexit Vote and the 2019 General Election have also caused increased constitutional tension within the UK. Majorities of voters in both Scotland and Northern Ireland voted to remain in the European Union. Leading political figures in both Scotland and Northern Ireland have suggested that they have a mandate from their voters to remain in the EU and might seek to leave the United Kingdom in order to achieve that outcome. The border between Northern Ireland and the Republic of Ireland has been a particularly difficult and contentious issue in the withdrawal negotiations and is expected to continue being a significant issue in the context of the negotiations on the future relationship between the UK and the EU. In respect of Scottish independence from the United Kingdom, the First Minister of Scotland has previously announced an intention to hold a second independence referendum by May 2021. However it is currently unclear as to when a request for such a referendum to be held might be made by the Scottish Government to the UK Government, and whether the UK Government would accept such a request. The issuer cannot predict the outcome of this continuing constitutional tension or how the future departure of Scotland and/or Northern Ireland from the UK would affect the programme and the ability of the issuer to pay interest and repay principal under the notes.

In particular, whilst Clydesdale Bank's parent company Virgin Money UK PLC is headquartered and incorporated in England and Wales, Clydesdale Bank itself is headquartered and incorporated in Scotland. In addition, as at the cut-off date 22.58 per cent. of the mortgage loans in the mortgage portfolio were Scottish mortgage loans. A future departure of Scotland from the UK could impact the fiscal, monetary and regulatory landscape to which Clydesdale Bank is subject. While the operational consequences of independence remain uncertain, it could (i) result in changes to the economic climate in Scotland and political and policy developments which could affect borrowers' ability to pay amounts when due on the mortgage loans and which may adversely affect payments on the notes, (ii) have an impact on Scots law, regulation accounting or administrative practice in Scotland, and/or (iii) result in Scotland not continuing to use Sterling as its base currency, which may result in part of the mortgage portfolio being redenominated and therefore the notes potentially being subject to currency risk.

Risks and uncertainties associated with a departure of Scotland from the UK could materialise both before any referendum for independence takes place and, in addition, in the case of a vote for independence, after the referendum but before independence. The final negotiated terms of independence, as well as the risks and uncertainty created, could have an adverse impact on Clydesdale Bank's business and financial performance more generally.

No assurance can be given that any of these factors would not adversely affect the ability of the issuer to make timely payments of interest and principal under the notes.

(vii) ***Rating actions***

The Brexit Vote has resulted in rating downgrades of the UK sovereign and the Bank of England by Standard & Poor's, Fitch and Moody's. Standard & Poor's and Fitch have both placed a negative outlook on these ratings, suggesting a strong possibility of further negative rating action.

The rating of the sovereign affects the ratings of entities operating in its territory, and in particular the ratings of financial institutions. Further downgrades may cause downgrades to counterparties to the programme documents meaning that they cease to have the relevant required ratings to fulfil their roles and need to be replaced. If rating action is widespread, it may become difficult or impossible to replace such counterparties with others who have the required ratings on similar terms or at all.

Moreover, a more pessimistic economic outlook for the UK in general could lead to increased concerns around the future performance of the mortgage portfolio and accordingly the ability of the issuer to pay interest and repay principal under the notes and the ratings assigned to the notes could be adversely affected.

While the extent and impact of these issues is unknown, noteholders should be aware that they could have an adverse impact on the issuer and its ability to make payments of interest and repayments of principal under the notes."

8. the reference to "Standard & Poor's Credit Market Services Europe Limited" in the second column in the section entitled "**Rating agencies**" on page 77 shall be replaced with "S&P Global Ratings Europe Limited".

9. the section headed "**Issuer swap providers, or any credit support provider of an issuer swap provider**" in the table headed "**RATING TRIGGERS TABLE**" in the section headed "**TRIGGERS TABLES**" beginning on page 116 of the base prospectus shall be replaced with the following:

"Transaction Party	Required Ratings/Triggers	Possible effects of Trigger being breached include the following
Issuer swap providers, or any credit support provider of an issuer swap provider	The following description reflects the rating agency criteria for swap counterparties as currently applied to the issuer swap provider and any credit support provider of the issuer swap provider (and, in respect of the issuer swap agreements entered into or amended prior to the date of this base prospectus, the relevant triggers are as specified in the relevant issuer swap agreement (in accordance with then applicable rating agency criteria)). At the time of issuance of any particular series of notes, the following description may not reflect the rating agency criteria for swap counterparties as then applied to the issuer swap provider and any credit support provider of the issuer swap provider.	
	Each such entity fails to ensure: (1)(A) so long as "Strong Collateral Framework" or "Adequate Collateral Framework" applies, its issuer credit rating or resolution counterparty rating assigned by Standard & Poor's is at least as high as "A-" (or its equivalent) or above; or (B) so long as "Moderate Collateral Framework" applies, its issuer credit rating or resolution counterparty rating assigned by Standard & Poor's is at least as high as "A" (or its equivalent) or above by; or (C) it has such other ratings as may be confirmed in writing by Standard & Poor's to the issuer and/or the issuer swap provider, **provided that** if and for so long as the relevant class and series of notes to which the relevant issuer swap relates are downgraded by Standard & Poor's and/or are rated below "AAA" by Standard & Poor's for reasons other than the issuer swap provider's original or continuing failure to perform, references to the relevant Standard & Poor's rating triggers above shall be deemed instead to refer to Standard & Poor's collateral posting rating triggers which are required pursuant to and in accordance with Tables 2 and 4 of the Counterparty Risk Framework Methodology and Assumptions Criteria (published by Standard & Poor's on 8 March 2019) to support a maximum potential rating equal to the	To avoid early termination rights arising in favour of the issuer, the issuer swap provider may be required to post collateral or, depending on which rating agency's relevant rating has not been maintained, transfer its rights and obligations, obtain a co obligation or guarantee of its rights and obligations or take such other action as may be required to maintain the then current rating of the relevant class and series of notes to which the relevant issuer swap relates. So long as "Weak Collateral Framework" applies, there is no requirement for the relevant swap provider to post collateral and, to avoid early termination rights arising in favour of the issuer in the circumstances described below, it may instead only transfer its rights and obligations, obtain a co-obligation or guarantee of its rights and obligations or take such other action as may be required to maintain the then current rating of the relevant class and series of notes.

"Transaction Party	Required Ratings/Triggers	Possible effects of Trigger being breached include the following
	maximum rating of the relevant class and series of notes to which the relevant issuer swap relates that would otherwise apply if this proviso did not apply. For the avoidance of doubt, the applicable "Collateral Framework" shall be as specified in the relevant issuer swap agreement, except that the issuer swap provider may at any time elect for any other "Collateral Framework" to apply (or, for the original "Collateral Framework" to apply if such other "Collateral Framework" applies at such time) on and from a particular date, provided certain conditions, as set out in such issuer swap agreement, have been met; and (2) its counterparty risk assessment from Moody's or the rating of its long-term, unsecured and unsubordinated debt or counterparty obligations by Moody's (as specified in the relevant issuer swap agreement) is below the ratings specified in the relevant issuer swap agreement (in accordance with Moody's requirements) for the relevant issuer swap provider; and (3)(A) its derivative counterparty rating (or, where such entity has no derivative counterparty rating, its long-term IDR) ceases to be at least as high as "AA-" (or its equivalent) (if the Fitch Highly Rated Thresholds apply) or "A" (or its equivalent) (if the Fitch Highly Rated Thresholds do not apply) by Fitch or (B) its short-term IDR ceases to be at least as high as "F1+" (or its equivalent) (if the Fitch Highly Rated Thresholds apply) or "F1" (or its equivalent) (if the Fitch Highly Rated Thresholds do not apply) by Fitch. The Fitch Highly Rated Thresholds will apply with respect to an issuer swap provider if specified in the relevant issuer swap agreement: (i) unless (and until) the issuer swap provider notifies the issuer, the issuer security trustee and the issuer cash manager (with a copy to Fitch) that the Fitch Highly Rated Thresholds are not to apply; and (ii) if, subsequent to the Fitch Highly Rated Thresholds ceasing to apply	

"Transaction Party	Required Ratings/Triggers	Possible effects of Trigger being breached include the following
	upon the issuer swap provider giving a notice under (i), the short-term issuer default rating of the issuer swap provider is at least F1+ or the long-term issuer default rating or, if assigned, the derivative counterparty rating of the issuer swap provider is at least AA-, from the date on which the issuer swap provider notifies the issuer, the issuer security trustee and the issuer cash manager (with a copy to Fitch) that the Fitch Highly Rated Thresholds are to apply.	
	Each such entity fails to ensure: (1)(A) so long as "Strong Collateral Framework" applies, its issuer credit rating or resolution counterparty rating assigned by Standard & Poor's is at least as high as "BBB+" (or its equivalent) or above; or (B) so long as "Adequate Collateral Framework" applies, its issuer credit rating or resolution counterparty rating assigned by Standard & Poor's is at least as high as "A-" (or its equivalent) or above; or (C) so long as "Moderate Collateral Framework" applies, its issuer credit rating or resolution counterparty rating assigned by Standard & Poor's is at least as high as "A" (or its equivalent) or above; or (D) so long as "Weak Collateral Framework" applies, its issuer credit rating or resolution counterparty rating assigned by Standard & Poor's is at least as high as "A+" (or its equivalent) or above; or (E) it has such other ratings as may be confirmed in writing by Standard & Poor's to the issuer and/or the issuer swap provider **provided that**, if and for so long as the relevant class and series of notes to which the relevant issuer swap relates are downgraded by Standard & Poor's and/or are rated below "AAA" by Standard & Poor's for reasons other than the issuer swap provider's original or continuing failure to perform, references to the relevant Standard & Poor's rating trigger above shall be deemed instead to refer to the corresponding Standard & Poor's replacement rating trigger which is required pursuant to and in accordance with Tables 2 and 4 of the Counterparty	To avoid early termination rights arising in favour of the issuer, the issuer swap provider may, depending on which rating agency's relevant rating has not been maintained, transfer its rights and obligations, obtain a co obligation or guarantee of its rights and obligations or take such other action as may be required to maintain the then current rating of the relevant class and series of notes to which the relevant issuer swap relates and, prior to taking such action, may be required to post collateral

"Transaction Party	Required Ratings/Triggers	Possible effects of Trigger being breached include the following
	Risk Framework Methodology and Assumptions Criteria (published by Standard & Poor's on 8 March 2019) to support a maximum potential rating equal to the maximum rating of the relevant class and series of notes to which the relevant issuer swap relates that would otherwise apply if this proviso did not apply). For the avoidance of doubt, the applicable "Collateral Framework" shall be as specified in the relevant issuer swap agreement, except that the issuer swap provider may at any time elect for any other "Collateral Framework" to apply (or, for the original "Collateral Framework" to apply if such other "Collateral Framework" applies at such time) on and from a particular date, provided certain conditions, as set out in such issuer swap agreement, have been met; and (2) its counterparty risk assessment from Moody's or the rating of its long-term, unsecured and unsubordinated debt or counterparty obligations by Moody's (as specified in the relevant issuer swap agreement) is below the ratings specified in the relevant issuer swap agreement (in accordance with Moody's requirements) for the relevant issuer swap provider; and (3)(A) its derivative counterparty rating (or, where such entity has no derivative counterparty rating, its long-term issuer default rating) or its long-term IDR is at least as high as "AA-" (or its equivalent) (if the Fitch Highly Rated Thresholds apply) or if the Fitch Highly Rated Thresholds do not apply: (i) "BBB-" (or its equivalent) by Fitch; or (ii) "BBB+" (or its equivalent) in case the issuer swap provider has not provided to Fitch a legal opinion, in a form acceptable to Fitch, confirming the enforceability against it in its jurisdiction of the provisions involving the subordination of a swap counterparty's payment rights in respect of certain termination payments upon the occurrence of insolvency proceedings and any related default by it under the swap on the part of such counterparty (so called "flip clauses")	

"Transaction Party	Required Ratings/Triggers	Possible effects of Trigger being breached include the following
	or (B) its short-term IDR is at least as high as "F1+" (or its equivalent) (if the Fitch Highly Rated Thresholds apply) or if the Fitch Highly Rated Thresholds do not apply: (i) "F3" (or its equivalent) by Fitch; or (ii) "F2" (or its equivalent) in case the Issuer Swap Provider has not provided to Fitch a legal opinion, in a form acceptable to Fitch, confirming the enforceability against it in its jurisdiction of the provisions involving the subordination of a swap counterparty's payment rights in respect of certain termination payments upon the occurrence of insolvency proceedings and any related default by it under the swap on the part of such counterparty (so called "flip clauses").	

10. the second sentence of the first paragraph under the heading "*Capitalisation and Financial Statements*" in the section headed "***THE ISSUER***" beginning on page 138 of the base prospectus shall be replaced with the following:

    "The current financial period of the issuer will end on 30 September 2020."

11. the second sentence of the first paragraph under the heading "*Capitalisation and Financial Statements*" in the section headed "***FUNDING***" beginning on page 140 of the base prospectus shall be replaced with the following:

    "The current financial period of Funding will end on 30 September 2020."

12. the second sentence of the first paragraph under the heading "*Capitalisation and Financial Statements*" on page 143 of the base prospectus shall be replaced with the following:

    "The current financial period of the mortgages trustee will end on 30 September 2020."

13. the section entitled "***CLYDESDALE BANK AND YBHL***" beginning on page 144 of the base prospectus shall be updated as follows:

    (i) the sixth paragraph under the heading "*Clydesdale Bank*" on page 144 of the base prospectus shall be replaced with the following:

    "Clydesdale Bank operates under the Clydesdale Bank, Yorkshire Bank, B and Virgin Money brands. It offers a range of banking services for both personal and business customers through retail branches, Business Banking centres, direct and online banking including B and brokers. One of Clydesdale Bank's core businesses is the provision of residential mortgages primarily funded in the retail markets."

    (ii) the seventh paragraph under the heading "*Clydesdale Bank*" on page 144 of the base prospectus shall be replaced with the following:

    "As at 30 September 2019, Clydesdale Bank and its subsidiaries had total assets of approximately £91.1 billion."

    (iii) the eighth paragraph under the heading "*Clydesdale Bank*" on page 144 of the base prospectus shall be replaced with the following:

    "As at the date of this base prospectus, Clydesdale Bank has (i) a long-term IDR of "A- (with a rating outlook stable) from Fitch, a long-term bank deposit rating of "Baa1" (stable outlook) and a long-term Counterparty Risk Assessment (CR Assessment) of A2 (cr) from Moody's and a long-term rating of "BBB+" (with stable outlook) from Standard & Poor's, and (ii) a short-term IDR of "F2" from Fitch, a short-term counterparty risk assessment of "P-1(cr)" (with a stable outlook) from Moody's and a short-term rating of "A-2" from Standard & Poor's."

(iv) the eleventh paragraph under the heading "*Clydesdale Bank*" on page 144 of the base prospectus shall be replaced with the following:

"Any financial information in this section is based on the audited annual accounts of Clydesdale Bank for the year ended 30 September 2019."

(v) the paragraph under the heading "*Offer by CYBG for Virgin Money Holdings (UK) plc ("**Virgin Money**")*" on page 144 of the base prospectus shall be replaced with the following:

"*Acquisition of Virgin Money Holdings (UK) plc ("**Virgin Money**")*

On 15 October 2018, the recommended all-share offer by CYBG for Virgin Money completed in accordance with its terms. Following court approval, the business of Virgin Money plc was transferred to Clydesdale on 21 October 2019 pursuant to a transfer under Part VII of the FSMA. On 30 October 2019, the parent company of Clydesdale changed its name from CYBG PLC to Virgin Money UK PLC."

(vi) the first paragraph under the heading "*Mortgage business of the originators*" on page 145 of the base prospectus shall be replaced with the following:

"As at 30 September 2019, gross UK residential mortgage loans advanced to customers by Clydesdale Bank and YBHL totalled £60.3 billion."

14. the section entitled "***BNP PARIBAS***" beginning on page 147 of the base prospectus shall be updated as follows:

(i) the first sentence of the fourth paragraph in the section entitled "***BNP PARIBAS***" on page 147 of the base prospectus shall be replaced with the following:

"It operates in 71 countries and has more than 201,000 employees, including more than 153,000 in Europe."

(ii) the sixth paragraph in the section entitled "***BNP PARIBAS***" on page 147 of the base prospectus shall be replaced with the following:

"At 30 September 2019, the BNP Paribas Group had consolidated assets of €2,510 billion (compared to €2,044 billion at 1 January 2019[1]), consolidated loans and receivables due from customers of €797 billion (compared to €766 billion at 1 January 2019[1]), consolidated items due to customers of €850 billion (compared to €797 billion at 1 January 2019[1]) and shareholders' equity (Group share) of €107.2 billion (compared to €101.3 billion at 1 January 2019[1]).

[1] Revised presentation, based on the new IFRS 16 accounting standard."

(iii) the seventh paragraph in the section entitled "***BNP PARIBAS***" on page 147 of the base prospectus shall be replaced with the following:

"At 30 September 2019, pre-tax income was €8.9 billion (compared to €8.5 billion at the end of September 2018). Net income, attributable to equity holders, for the first nine months 2019 was €6.3billion (compared to €6.1 billion for the first nine months 2018)."

(iv) the eighth paragraph in the section entitled "***BNP PARIBAS***" on page 147 of the base prospectus shall be replaced with the following:

"At the date of this base prospectus, the BNP Paribas Group currently has long term senior preferred debt ratings of "A+" with stable outlook from S&P, "Aa3" with stable outlook from Moody's Investors Service, Inc. and "AA-" with stable outlook from Fitch Ratings, Ltd and "AA (low)" with stable outlook from DBRS."

15. the proviso at the end of the first paragraph under the heading entitled "*Assignment conditions*" in the section entitled "***ASSIGNMENT OF THE MORTGAGE LOANS AND RELATED SECURITY***" on page 191 of the base prospectus shall be replaced with the following:

    "**PROVIDED THAT**, if an initial purchase price for the mortgage loans to be assigned to the mortgages trustee is payable to the seller by the mortgages trustee and such initial purchase price has been funded from an initial contribution made by Funding, which ultimately has been funded (in whole or in part) out of the issuance of rated notes by the issuer on or around the relevant assignment date, only the conditions set out in paragraphs (d), (e), (h), (k), (l), (m), (o), (p), (q), (r) and (s) are required to be satisfied to effect an assignment of such new mortgage loans."

Save as disclosed in this supplement, no significant new factor, material mistake or inaccuracy relating to information included in the base prospectus has arisen since the publication of the base prospectus.

All investors whose investment activities are subject to investment laws and regulations, regulatory capital requirements, or review by regulatory authorities (including the introduction or proposal of risk retention rules) should consult with their own legal, accounting and other advisors in determining whether, and to what extent, the Notes are subject to investment or other restrictions, unfavourable accounting treatment, capital charges or reserve requirements. None of the issuer, any arranger, any manager, Clydesdale Bank or any other party to the programme documents or any of their affiliates makes any representation, warranty or guarantee that the structure of the notes is compliant with any applicable legal, regulatory or other framework, including as any such framework applies to any investor's investment in the notes.

The date of this supplement is 16 January 2020.