

MR01

Particulars of a charge

19/01/13

ashurst

A fee is payable with this form  
Please see 'How to pay' on the  
last page

You can use the WebFiling service to file this form online.  
Please go to [www.companieshouse.gov.uk](http://www.companieshouse.gov.uk)

✓ **What this form is for**  
You may use this form to register  
a charge created or evidenced by  
an instrument

✗ **What this form is NOT for**  
You may not use this form to  
register a charge where there is no  
instrument. Use form MR08

For further information, please  
refer to our guidance at  
[www.companieshouse.gov.uk](http://www.companieshouse.gov.uk)

This form **must be delivered to the Registrar for registration within 21 days** beginning with the day after the date of creation of the charge. If delivered outside of the 21 days it will be rejected unless it is accompanied by a court order extending the time for delivery.



You **must** enclose a certified copy of the instrument with this form. The instrument must be scanned and placed on the public record.

WEDNESDAY



\*A2GPMUGJ\*

A05

11/09/2013

#7

COMPANIES HOUSE

**1** Company details

Company number 0 0 9 9 0 9 3 7

Company name in full The Co-operative Bank P L C

For official use

→ **Filing in this form**  
Please complete in typescript or in  
bold black capitals

All fields are mandatory unless  
specified or indicated by \*

**2** Charge creation date

Charge creation date 0 2 0 9 2 0 1 3

**3** Names of persons, security agents or trustees entitled to the charge

Please show the names of each of the persons, security agents or trustees  
entitled to the charge

Name The Royal Bank of Scotland plc

Name

Name

Name

If there are more than four names, please supply any four of these names then  
tick the statement below

☐ I confirm that there are more than four persons, security agents or  
trustees entitled to the charge

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**Description**

Please give a short description of any land (including buildings), ship, aircraft or intellectual property registered (or required to be registered) in the UK which is subject to this fixed charge or fixed security

**Continuation page**

Please use a continuation page if you need to enter more details

Description

None

5

**Fixed charge or fixed security**

Does the instrument include a fixed charge or fixed security over any tangible or intangible (or in Scotland) corporeal or incorporeal property not described above? Please tick the appropriate box

☒ Yes

☐ No

6

**Floating charge**

Is the instrument expressed to contain a floating charge? Please tick the appropriate box

☐ Yes Continue

☒ No Go to **Section 7**

Is the floating charge expressed to cover all the property and undertaking of the company?

☐ Yes

7

**Negative Pledge**

Do any of the terms of the charge prohibit or restrict the chargor from creating any further security that will rank equally with or ahead of the charge? Please tick the appropriate box

☒ Yes

☐ No

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## Particulars of a charge

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### Trustee statement ①

You may tick the box if the company named in Section 1 is acting as trustee of the property or undertaking which is the subject of the charge

☐

① This statement may be filed after the registration of the charge (use form MR06)

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### Signature

Please sign the form here

Signature

Signature

X *Ashurst LLP* X

This form must be signed by a person with an interest in the charge

# MR01

## Particulars of a charge



### Presenter information

We will send the certificate to the address entered below. All details given here will be available on the public record. You do not have to show any details here but, if none are given, we will send the certificate to the company's Registered Office address.

Contact name KBEATO/SWAYNE/R546 01558/30503365

Company name  
Ashurst LLP

Address Broadwalk House

5 Appold Street

Post town London

County/Region

Postcode E C 2 A 2 H A

Country England

DX 639 London City

Telephone +44 (0)20 7638 1111



### Certificate

We will send your certificate to the presenter's address if given above or to the company's Registered Office if you have left the presenter's information blank.



### Checklist

**We may return forms completed incorrectly or with information missing**

**Please make sure you have remembered the following:**

- ☐ The company name and number match the information held on the public Register
- ☐ You have included a certified copy of the instrument with this form
- ☐ You have entered the date on which the charge was created
- ☐ You have shown the names of persons entitled to the charge
- ☐ You have ticked any appropriate boxes in Sections 3, 5, 6, 7 & 8
- ☐ You have given a description in Section 4, if appropriate
- ☐ You have signed the form
- ☐ You have enclosed the correct fee
- ☐ Please do not send the original instrument, it must be a certified copy



### Important information

**Please note that all information on this form will appear on the public record.**



### How to pay

**A fee of £13 is payable to Companies House in respect of each mortgage or charge filed on paper.**

Make cheques or postal orders payable to 'Companies House'



### Where to send

**You may return this form to any Companies House address. However, for expediency, we advise you to return it to the appropriate address below:**

#### For companies registered in England and Wales

The Registrar of Companies, Companies House,  
Crown Way, Cardiff, Wales, CF14 3UZ  
DX 33050 Cardiff

#### For companies registered in Scotland

The Registrar of Companies, Companies House,  
Fourth floor, Edinburgh Quay 2,  
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF  
DX ED235 Edinburgh 1  
or LP - 4 Edinburgh 2 (Legal Post)

#### For companies registered in Northern Ireland

The Registrar of Companies, Companies House,  
Second Floor, The Linenhall, 32-38 Linenhall Street,  
Belfast, Northern Ireland, BT2 8BG  
DX 481 N R Belfast 1



### Further information

For further information, please see the guidance notes on the website at [www.companieshouse.gov.uk](http://www.companieshouse.gov.uk) or email [enquiries@companieshouse.gov.uk](mailto:enquiries@companieshouse.gov.uk)

**This form is available in an alternative format. Please visit the forms page on the website at [www.companieshouse.gov.uk](http://www.companieshouse.gov.uk)**



FILE COPY

## **CERTIFICATE OF THE REGISTRATION OF A CHARGE**

Company number. 990937

Charge code: 0099 0937 0011

The Registrar of Companies for England and Wales hereby certifies that a charge dated 2nd September 2013 and created by THE CO-OPERATIVE BANK P L.C. was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 11th September 2013

dt

Given at Companies House, Cardiff on 12th September 2013



THE OFFICIAL SEAL OF THE  
REGISTRAR OF COMPANIES

(Bilateral Form - Security Interest)<sup>1</sup>

(ISDA Agreements Subject to English Law)

Certified as a true copy of the original instrument save for the material redacted pursuant to s. 859G of the Companies Act 2006

ISDA<sup>®</sup>

International Swaps and Derivatives Association, Inc

Amur LLP

## CREDIT SUPPORT DEED

THE ROYAL BANK OF SCOTLAND PLC<sup>between</sup> THE CO-OPERATIVE BANK PLC  
("Party A") and ("Party B")  
made on 2 SEPTEMBER 2013<sup>3</sup>

relating to the

### ISDA Master Agreement

dated as of 25 MARCH 1997 between Party A and Party B

This Deed is a Credit Support Document with respect to both parties in relation to the ISDA Master Agreement referred to above (as amended and supplemented from time to time, the "Agreement")

Accordingly, the parties agree as follows

#### Paragraph 1. Interpretation

(a) **Definitions and Inconsistency.** Unless otherwise defined in this Deed, capitalised terms defined in the Agreement have the same meaning in this Deed. Capitalised terms not otherwise defined in this Deed or in the Agreement have the meanings specified pursuant to Paragraph 12, and all references in this Deed to Paragraphs are to Paragraphs of this Deed. In the event of any inconsistency between this Deed and the provisions of the Agreement, this Deed will prevail, and in the event of any inconsistency between Paragraph 13 and the other provisions of this Deed, Paragraph 13 will prevail. For the avoidance of doubt,

- <sup>1</sup> This document is intended to create a charge or other security interest over the assets transferred under its terms. Persons intending to establish a collateral arrangement based on a full transfer should consider using the ISDA Credit Support Annex (English law)
- <sup>2</sup> This Credit Support Deed has been prepared for use with ISDA Master Agreements subject to English law. Users should consult their legal advisers as to the proper use and effect of this form and the arrangements it contemplates. In particular, users should consult their legal advisers if they wish to have the Credit Support Deed made subject to a governing law other than English law
- <sup>3</sup> The parties should insert here the date this Deed is actually executed and not the effective ("as of") date of the related ISDA Master Agreement, if different

references to "transfer" in this Deed mean, in relation to cash, payment and, in relation to other assets, delivery.

(b) **Secured Party and Chargor.** All references in this Deed to the "Secured Party" will be to either party when acting in that capacity and all corresponding references to the "Chargor" will be to the other party when acting in that capacity, *provided, however*, that if Other Posted Support is held by a party to this Deed, all references in this Deed to that party as the Secured Party with respect to that Other Posted Support will be to that party as the beneficiary of that Other Posted Support and will not subject that support or that party as the beneficiary of that Other Posted Support to provisions of law generally relating to security interests and secured parties

## **Paragraph 2. Security**

(a) **Covenant to Perform.** Each party as the Chargor covenants with the other party that it will perform the Obligations in the manner provided in the Agreement, this Deed or any other relevant agreement

(b) **Security.** Each party as the Chargor, as security for the performance of the Obligations (i) mortgages, charges and pledges and agrees to mortgage, charge and pledge, with full title guarantee, in favour of the Secured Party by way of first fixed legal mortgage all Posted Collateral (other than Posted Collateral in the form of cash), (ii) to the fullest extent permitted by law, charges and agrees to charge, with full title guarantee, in favour of the Secured Party by way of first fixed charge all Posted Collateral in the form of cash, and (iii) assigns and agrees to assign, with full title guarantee, the Assigned Rights to the Secured Party absolutely.

(c) **Release of Security.** Upon the transfer by the Secured Party to the Chargor of Posted Collateral, the security interest granted under this Deed on that Posted Collateral will be released immediately, and the Assigned Rights relating to that Posted Collateral will be re-assigned to the Chargor, in each case without any further action by either party. The Chargor agrees, in relation to any securities comprised in Posted Collateral released by the Secured Party under this Deed, that it will accept securities of the same type, nominal value, description and amount as those securities

(d) **Preservation of Security.** The security constituted by this Deed shall be a continuing security and shall not be satisfied by any intermediate payment or satisfaction of the whole or any part of the Obligations but shall secure the ultimate balance of the Obligations. If for any reason this security ceases to be a continuing security, the Secured Party may open a new account with or continue any existing account with the Chargor and the liability of the Chargor in respect of the Obligations at the date of such cessation shall remain regardless of any payments into or out of any such account. The security constituted by this Deed shall be in addition to and shall not be affected by any other security now or subsequently held by the Secured Party for all or any of the Obligations

(e) **Waiver of Defences.** The obligations of the Chargor under this Deed shall not be affected by any act, omission or circumstance which, but for this provision, might operate to release or otherwise exonerate the Chargor from its obligations under this Deed or affect such obligations including (but without limitation) and whether or not known to the Chargor or the Secured Party

- (i) any time or indulgence granted to or composition with the Chargor or any other person,
- (ii) the variation, extension, compromise, renewal or release of, or refusal or neglect to perfect or enforce, any terms of the Agreement or any rights or remedies against, or any security granted by, the Chargor or any other person,
- (iii) any irregularity, invalidity or unenforceability of any obligations of the Chargor under the Agreement or any present or future law or order of any government or authority (whether of right or in fact) purporting to reduce or otherwise affect any of such obligations to the intent that the Chargor's obligations under this Deed shall remain in full force and this Deed shall be construed accordingly as if there were no such irregularity, unenforceability, invalidity, law or order;
- (iv) any legal limitation, disability, incapacity or other circumstance relating to the Chargor, any guarantor or any other person or any amendment to or variation of the terms of the Agreement or any other document or security

(f) **Immediate Recourse.** The Chargor waives any right it may have of first requiring the Secured Party to proceed against or claim payment from any other person or enforce any guarantee or security before enforcing this Deed

(g) **Reinstatement.** Where any discharge (whether in respect of the security constituted by this Deed, any other security or otherwise) is made in whole or in part or any arrangement is made on the faith of any payment, security or other disposition which is avoided or any amount paid pursuant to any such discharge or arrangement must be repaid on bankruptcy, liquidation or otherwise without limitation, the security constituted by this Deed and the liability of the Chargor under this Deed shall continue as if there had been no such discharge or arrangement

### **Paragraph 3. Credit Support Obligations**

(a) **Delivery Amount.** Subject to Paragraphs 4 and 5, upon a demand made by the Secured Party on or promptly following a Valuation Date, if the Delivery Amount for that Valuation Date equals or exceeds the Chargor's Minimum Transfer Amount, then the Chargor will transfer to the Secured Party Eligible Credit Support having a Value as of the date of transfer at least equal to the applicable Delivery Amount (rounded pursuant to Paragraph 13) Unless otherwise specified in Paragraph 13, the "Delivery Amount" applicable to the Chargor for any Valuation Date will equal the amount by which

- (i) the Credit Support Amount

exceeds

- (ii) the Value as of that Valuation Date of all Posted Credit Support held by the Secured Party (as adjusted to include any prior Delivery Amount and to exclude any prior Return Amount, the transfer of which, in either case, has not yet been completed and for which the relevant Settlement Day falls on or after such Valuation Date)



(b) **Return Amount.** Subject to Paragraphs 4 and 5, upon a demand made by the Chargor on or promptly following a Valuation Date, if the Return Amount for that Valuation Date equals or exceeds the Secured Party's Minimum Transfer Amount, then the Secured Party will transfer to the Chargor Posted Credit Support specified by the Chargor in that demand having a Value as of the date of transfer as close as practicable to the applicable Return Amount (rounded pursuant to Paragraph 13) Unless otherwise specified in Paragraph 13, the "Return Amount" applicable to the Secured Party for any Valuation Date will equal the amount by which

(i) the Value as of that Valuation Date of all Posted Credit Support held by the Secured Party (as adjusted to include any prior Delivery Amount and to exclude any prior Return Amount, the transfer of which, in either case, has not yet been completed and for which the relevant Settlement Day falls on or after such Valuation Date)

exceeds

(ii) the Credit Support Amount.

#### **Paragraph 4. Conditions Precedent, Transfers, Calculations and Substitutions**

(a) **Conditions Precedent.** Each transfer obligation of the Chargor under Paragraphs 3 and 5 and of the Secured Party under Paragraphs 3, 4(d)(ii), 5 and 6(g) is subject to the conditions precedent that

(i) no Event of Default, Potential Event of Default or Specified Condition has occurred and is continuing with respect to the other party, and

(ii) no Early Termination Date for which any unsatisfied payment obligations exist has occurred or been designated as the result of an Event of Default or Specified Condition with respect to the other party

(b) **Transfers.** All transfers under this Deed of any Eligible Credit Support, Posted Credit Support, Interest Amount or Distributions, shall be made in accordance with the instructions of the Secured Party, Chargor or Custodian, as applicable, and shall be made

(i) in the case of cash, by transfer into one or more bank accounts specified by the recipient,

(ii) in the case of certificated securities which cannot or which the parties have agreed will not be delivered by book-entry, by delivery in appropriate physical form to the recipient or its account accompanied by any duly executed instruments of transfer, assignments in blank, transfer tax stamps and any other documents necessary to constitute a legally valid transfer to the recipient,

(iii) in the case of securities which the parties have agreed will be delivered by book-entry, by the giving of written instructions (including, for the avoidance of doubt, instructions given by telex, facsimile transmission or electronic messaging system) to the relevant depository institution or other entity specified by the recipient, together with a written copy of the instructions to the

recipient, sufficient, if complied with, to result in a legally effective transfer of the relevant interest to the recipient, and

- (iv) in the case of Other Eligible Support or Other Posted Support, as specified in Paragraph 13 (j)(ii)

Subject to Paragraph 5 and unless otherwise specified, if a demand for the transfer of Eligible Credit Support or Posted Credit Support is received by the Notification Time, then the relevant transfer will be made not later than the close of business on the Settlement Day relating to the date such demand is received, if a demand is received after the Notification Time, then the relevant transfer will be made not later than the close of business on the Settlement Day relating to the day after the date such demand is received.

(c) **Calculations.** All calculations of Value and Exposure for purposes of Paragraphs 3 and 5(a) will be made by the relevant Valuation Agent as of the relevant Valuation Time. The Valuation Agent will notify each party (or the other party, if the relevant Valuation Agent is a party) of its calculations not later than the Notification Time on the Local Business Day following the applicable Valuation Date (or, in the case of Paragraph 5(a), following the date of calculation)

(d) **Substitutions**

(i) Unless otherwise specified in Paragraph 13, the Chargor may on any Local Business Day by notice (a "Substitution Notice") inform the Secured Party that it wishes to transfer to the Secured Party Eligible Credit Support (the "Substitute Credit Support") specified in that Substitution Notice in substitution for certain Eligible Credit Support (the "Original Credit Support") specified in the Substitution Notice comprised in the Chargor's Posted Collateral

(ii) If the Secured Party notifies the Chargor that it has consented to the proposed substitution, (A) the Chargor will be obliged to transfer the Substitute Credit Support to the Secured Party on the first Settlement Day following the date on which it receives notice (which may be oral telephonic notice) from the Secured Party of its consent and (B) subject to Paragraph 4(a), the Secured Party will be obliged to transfer to the Chargor the Original Credit Support not later than the Settlement Day following the date on which the Secured Party receives the Substitute Credit Support, unless otherwise specified in Paragraph 13(f) (the "Substitution Date"), *provided* that the Secured Party will only be obliged to transfer Original Credit Support with a Value as of the date of transfer as close as practicable to, but in any event not more than, the Value of the Substitute Credit Support as of that date

**Paragraph 5. Dispute Resolution**

(a) **Disputed Calculations or Valuations.** If a party (a "Disputing Party") reasonably disputes (I) the Valuation Agent's calculation of a Delivery Amount or a Return Amount or (II) the Value of any transfer of Eligible Credit Support or Posted Credit Support, then

- (1) the Disputing Party will notify the other party and the Valuation Agent (if the Valuation Agent is not the other party) not later than the close of business on the Local Business Day following, in the case of (I) above, the date that the demand is received under Paragraph 3 or, in the case of (II) above, the date of transfer;
- (2) in the case of (I) above, the appropriate party will transfer the undisputed amount to the other party not later than the close of business on the Settlement Day following the date that the demand is received under Paragraph 3,
- (3) the parties will consult with each other in an attempt to resolve the dispute; and
- (4) if they fail to resolve the dispute by the Resolution Time, then.
  - (i) in the case of a dispute involving a Delivery Amount or Return Amount, unless otherwise specified in Paragraph 13, the Valuation Agent will recalculate the Exposure and the Value as of the Recalculation Date by
    - (A) utilising any calculations of that part of the Exposure attributable to the Transactions that the parties have agreed are not in dispute,
    - (B) calculating that part of the Exposure attributable to the Transactions in dispute by seeking four actual quotations at mid-market from Reference Market-makers for purposes of calculating Market Quotation, and taking the arithmetic mean of those obtained, *provided* that if four quotations are not available for a particular Transaction, then fewer than four quotations may be used for that Transaction, and if no quotations are available for a particular Transaction, then the Valuation Agent's original calculations will be used for that Transaction, and
    - (C) utilising the procedures specified in Paragraph 13(g)(ii) for calculating the Value, if disputed, of Posted Credit Support,
  - (ii) in the case of a dispute involving the Value of any transfer of Eligible Credit Support or Posted Credit Support, the Valuation Agent will recalculate the Value as of the date of transfer pursuant to Paragraph 13(g)(ii)

Following a recalculation pursuant to this Paragraph, the Valuation Agent will notify each party (or the other party, if the Valuation Agent is a party) as soon as possible but in any event not later than the Notification Time on the Local Business Day following the Resolution Time. The appropriate party will, upon demand following that notice by the Valuation Agent or a resolution pursuant to (3) above and subject to Paragraphs 4(a) and 4(b), make the appropriate transfer

(b) ***Not a Relevant Event.*** The failure by a party to make a transfer of any amount which is the subject of a dispute to which Paragraph 5(a) applies will not constitute a Relevant Event under Paragraph 7 for as long as the procedures set out in Paragraph 5 are being carried out. For the avoidance of doubt, upon completion of those procedures, Paragraph 7 will apply to any failure by a party to make a transfer required under the final sentence of Paragraph 5(a) on the relevant due date.

#### **Paragraph 6. Holding Posted Collateral**

(a) ***Care of Posted Collateral.*** The Secured Party will exercise reasonable care to assure the safe custody of all Posted Collateral to the extent required by applicable law. Except as specified in the preceding sentence, the Secured Party will have no duty with respect to Posted Collateral, including, without limitation, any duty to collect any Distributions, or enforce or preserve any rights pertaining to the Posted Collateral.

(b) ***Eligibility to Hold Posted Collateral; Custodians.***

(i) ***General.*** Subject to the satisfaction of any conditions specified in Paragraph 13 for holding Posted Collateral, the Secured Party will be entitled to hold Posted Collateral or to appoint an agent (a "Custodian") to hold Posted Collateral for the Secured Party. Upon notice by the Secured Party to the Chargor of the appointment of a Custodian, the Chargor's obligations to make any transfer will be discharged by making the transfer to that Custodian. The holding of Posted Collateral by a Custodian will be deemed to be the holding of that Posted Collateral by the Secured Party for which the Custodian is acting.

(ii) ***Failure to Satisfy Conditions.*** If the Secured Party or its Custodian fails to satisfy any conditions for holding Posted Collateral, then upon a demand made by the Chargor, the Secured Party will, not later than five Local Business Days after the demand, transfer or cause its Custodian to transfer all Posted Collateral held by it to a Custodian that satisfies those conditions or to the Secured Party if it satisfies those conditions.

(iii) ***Liability.*** The Secured Party will be liable for the acts or omissions of its Custodian to the same extent that the Secured Party would be liable under this Deed for its own acts or omissions.

(c) ***Segregated Accounts.*** The Secured Party shall, and shall cause any Custodian to, open and/or maintain one or more segregated accounts (the "Segregated Accounts"), as appropriate, in which to hold Posted Collateral (other than Posted Collateral in the form of cash) under this Deed. The Secured Party and any Custodian shall each hold, record and/or identify in the relevant Segregated Accounts all Posted Collateral (other than Posted Collateral in the form of cash) held in relation to the Chargor, and, except as provided otherwise herein, such Collateral shall at all times be and remain the property of the Chargor and segregated from the property of the Secured Party or the relevant Custodian, as the case may be, and shall at no time constitute the property of, or be commingled with the property of, the Secured Party or such Custodian.

(d) **No Use of Collateral.** For the avoidance of doubt, and without limiting the rights of the Secured Party under the other provisions of this Deed, the Secured Party will not have the right to sell, pledge, rehypothecate, assign, invest, use, commingle or otherwise dispose of, or otherwise use in its business any Posted Collateral it holds under this Deed

(e) **Rights Accompanying Posted Collateral.**

(i) **Distributions and Voting Rights.** Unless and until a Relevant Event or a Specified Condition occurs the Chargor shall be entitled

(A) to all Distributions, and

(B) to exercise, or to direct the Secured Party to exercise, any voting rights attached to any of the Posted Collateral (but only in a manner consistent with the terms of this Deed) and, if any expense would be incurred by the Secured Party in doing so, only to the extent that the Chargor paid to the Secured Party in advance of any such exercise an amount sufficient to cover that expense

(ii) **Exercise by Secured Party.** At any time after the occurrence of a Relevant Event or Specified Condition and without any further consent or authority on the part of the Chargor the Secured Party may exercise at its discretion (in the name of the Chargor or otherwise) in respect of any of the Posted Collateral any voting rights and any powers or rights which may be exercised by the person or persons in whose name or names the Posted Collateral is registered or who is the holder or bearer of them including (but without limitation) all the powers given to trustees by sections 10(3) and (4) of the Trustee Act 1925 (as amended by section 9 of the Trustee Investments Act 1961) in respect of securities or property subject to a trust. If the Secured Party exercises any such rights or powers, it will give notice of the same to the Chargor as soon as practicable

(f) **Calls and Other Obligations**

(i) **Payment of Calls.** The Chargor will pay all calls or other payments which may become due in respect of any of the Posted Collateral and if it fails to do so the Secured Party may elect to make such payments on behalf of the Chargor. Any sums so paid by the Secured Party shall be repayable by the Chargor to the Secured Party on demand together with interest at the Default Rate from the date of such payment by the Secured Party and pending such repayment shall form part of the Obligations

(ii) **Requests for Information.** The Chargor shall promptly copy to the Secured Party and comply with all requests for information which is within its knowledge and which are made under section 212 of the Companies Act 1985 or any similar provision contained in any articles of association or other constitutional document relating to any of the Posted Collateral and if it fails to do so the Secured Party may elect to provide such information as it may have on behalf of the Chargor

(iii) **Continuing Liability of Chargor.** The Chargor shall remain liable to observe and perform all of the other conditions and obligations assumed by it in respect of any of the Posted Collateral

(iv) **No Liability of Secured Party.** The Secured Party shall not be required to perform or fulfil any obligation of the Chargor in respect of the Posted Collateral or to make any payment, or to make any enquiry as to the nature or sufficiency of any payment received by it or the Chargor, or to present or file any claim or take any other action to collect or enforce the payment of any amount to which it may have been or to which it may be entitled under this Deed at any time

(g) **Distributions and Interest Amount.**

(i) **Distributions.** The Secured Party will transfer to the Chargor not later than the Settlement Day following each Distributions Date any Distributions it receives to the extent that a Delivery Amount would not be created or increased by the transfer, as calculated by the Valuation Agent (and the date of calculation will be deemed a Valuation Date for this purpose)

(ii) **Interest Amount.** Unless otherwise specified in Paragraph 13(i)(iii), with respect to Posted Collateral in the form of cash, the Secured Party will transfer to the Chargor at the times specified in Paragraph 13(i)(ii) the Interest Amount to the extent that a Delivery Amount would not be created or increased by that transfer, as calculated by the Valuation Agent (and the date of calculation will be deemed to be a Valuation Date for this purpose)

Any Distributions or Interest Amount (or portion of either) not transferred pursuant to this Paragraph will constitute Posted Collateral and will be subject to the security interest granted under Paragraph 2(b) or otherwise will be subject to the set-off provided in Paragraph 8(a)(ii)

**Paragraph 7. Default**

For purposes of this Deed, a “**Relevant Event**” will have occurred with respect to a party if.

- (i) an Event of Default has occurred in respect of that party under the Agreement, or
- (ii) that party fails (or fails to cause its Custodian) to make, when due, any transfer of Eligible Collateral, Posted Collateral, Distributions or Interest Amount, as applicable, required to be made by it and that failure continues for two Local Business Days after notice of that failure is given to that party, or
- (iii) that party fails to perform any Obligation other than those specified in Paragraph 7(ii) and that failure continues for 30 days after notice of that failure is given to that party

#### **Paragraph 8. Rights of Enforcement**

(a) ***Secured Party's Rights.*** If at any time (1) a Relevant Event or Specified Condition with respect to the Chargor has occurred and is continuing or (2) an Early Termination Date has occurred or been designated under the Agreement as the result of an Event of Default or Specified Condition with respect to the Chargor, then, unless the Chargor has paid in full all of its Obligations that are then due

(i) the Secured Party shall, without prior notice to the Chargor, be entitled to put into force and to exercise immediately or as and when it may see fit any and every power possessed by the Secured Party by virtue of this Deed or available to a secured creditor (so that section 93 and section 103 of the Law of Property Act 1925 shall not apply to this Deed) and in particular (but without limitation) the Secured Party shall have power in respect of Posted Collateral other than in the form of cash

(A) to sell all or any of the Posted Collateral in any manner permitted by law upon such terms as the Secured Party shall in its absolute discretion determine, and

(B) to collect, recover or compromise and to give a good discharge for any moneys payable to the Chargor in respect of any of the Posted Collateral,

(ii) the Secured Party may in respect of Posted Collateral in the form of cash immediately or at any subsequent time, without prior notice to the Chargor

(A) apply or appropriate the Posted Collateral in or towards the payment or discharge of any amounts payable by the Chargor with respect to any Obligation in such order as the Secured Party sees fit, or

(B) set off all or any part of any amounts payable by the Chargor with respect to any Obligation against any obligation of the Secured Party to repay any amount to the Chargor in respect of the Posted Collateral, or

(C) debit any account of the Chargor (whether sole or joint) with the Secured Party at any of its offices anywhere (including an account opened specially for that purpose) with all or any part of any amounts payable by the Chargor with respect to any Obligation from time to time, or

(D) combine or consolidate any account in the name of the Chargor (whether sole or joint) in any currency at any of the Secured Party's offices anywhere with the account relating to the Posted Collateral,

and for the purposes of this Paragraph 8(a)(ii) the Secured Party shall be entitled

(X) to make any currency conversions or effect any transaction in currencies which it thinks fit, and to do so at such times and rates as it thinks proper,

(Y) to effect any transfers between, or entries on, any of the Chargor's accounts with the Secured Party as it thinks proper; and

(iii) the Secured Party may exercise any other rights and remedies available to the Secured Party under the terms of Other Posted Support, if any.

(b) **Power of Attorney.** The Chargor, by way of security and solely for the purpose of more fully securing the performance of the Obligations, irrevocably appoints the Secured Party the attorney of the Chargor on its behalf and in the name of the Chargor or the Secured Party (as the attorney may decide) to do all acts, and execute all documents which the Chargor could itself execute, in relation to any of the Posted Collateral or in connection with any of the matters provided for in this Deed, including (but without limitation)

(i) to execute any transfer, bill of sale or other assurance in respect of the Posted Collateral,

(ii) to exercise all the rights and powers of the Chargor in respect of the Posted Collateral,

(iii) to ask, require, demand, receive, compound and give a good discharge for any and all moneys and claims for moneys due and to become due under or arising out of any of the Posted Collateral,

(iv) to endorse any cheques or other instruments or orders in connection with any of the Posted Collateral, and

(v) to make any claims or to take any action or to institute any proceedings which the Secured Party considers to be necessary or advisable to protect or enforce the security interest created by this Deed

(c) **Protection of Purchaser**

(i) No purchaser or other person dealing with the Secured Party or with its attorney or agent shall be concerned to enquire (1) whether any power exercised or purported to be exercised by the Secured Party has become exercisable, (2) whether any Obligation remains due, (3) as to the propriety or regularity of any of the actions of the Secured Party or (4) as to the application of any money paid to the Secured Party

(ii) In the absence of bad faith on the part of such purchaser or other person, such dealings shall be deemed, so far as regards the safety and protection of such purchaser or other person, to be within the powers conferred by this Deed and to be valid accordingly. The remedy of the Chargor in respect of any impropriety or irregularity whatever in the exercise of such powers shall be in damages only



(d) **Deficiencies and Excess Proceeds.** The Secured Party will transfer to the Chargor any proceeds and Posted Credit Support remaining after liquidation, set-off and/or application under Paragraph 8(a) and after satisfaction in full of all amounts payable by the Chargor with respect to any Obligations, the Chargor in all events will remain liable for any amounts remaining unpaid after any liquidation, set-off and/or application under Paragraph 8(a)

(e) **Final Returns.** When no amounts are or may become payable by the Chargor with respect to any Obligations (except for any potential liability under Section 2(d) of the Agreement), the Secured Party will transfer to the Chargor all Posted Credit Support and the Interest Amount, if any

#### **Paragraph 9. Representations**

Each party represents to the other party (which representations will be deemed to be repeated as of each date on which it, as the Chargor, transfers Eligible Collateral) that

(i) it has the power to grant a security interest in any Eligible Collateral it transfers as the Chargor to the Secured Party under this Deed and has taken all necessary actions to authorise the granting of that security interest,

(ii) it is the beneficial owner of all Eligible Collateral it transfers as the Chargor to the Secured Party under this Deed, free and clear of any security interest, lien, encumbrance or other interest or restriction other than the security interest granted under Paragraph 2 and other than a lien routinely imposed on all securities in a clearing system in which any such Eligible Collateral may be held,

(iii) upon the transfer of any Eligible Collateral by it as the Chargor to the Secured Party under the terms of this Deed, the Secured Party will have a valid security interest in such Eligible Collateral, and

(iv) the performance by it as the Chargor of its obligations under this Deed will not result in the creation of any security interest, lien or other interest or encumbrance in or on any Posted Collateral other than the security interest created under this Deed (other than any lien routinely imposed on all securities in a clearing system in which any such Posted Collateral may be held)

#### **Paragraph 10. Expenses**

(a) **General.** Except as otherwise provided in Paragraphs 10(b) and 10(c), each party will pay its own costs and expenses (including any stamp, transfer or similar transaction tax or duty payable on any transfer it is required to make under this Deed) in connection with performing its obligations under this Deed and neither party will be liable for any such costs and expenses incurred by the other party.

(b) **Posted Credit Support.** The Chargor will promptly pay when due all taxes, assessments or charges of any nature that are imposed with respect to Posted Credit Support held by the Secured Party upon becoming aware of the same

(c) **Liquidation/Application of Posted Credit Support.** All reasonable costs and expenses incurred by the Secured Party in connection with the liquidation and/or application of any Posted Credit Support under Paragraph 8 will be payable, on demand, by the Defaulting Party or, if there is no Defaulting Party, equally by the parties

#### **Paragraph 11. Other Provisions**

(a) **Default Interest.** A Secured Party that fails to make, when due, any transfer of Posted Collateral or the Interest Amount, will be obliged to pay the Chargor (to the extent permitted under applicable law) an amount equal to interest at the Default Rate multiplied by the Value on the relevant Valuation Date of the items of property that were required to be transferred, from (and including) the date that Posted Collateral or Interest Amount was required to be transferred to (but excluding) the date of transfer of that Posted Collateral or Interest Amount. This interest will be calculated on the basis of daily compounding and the actual number of days elapsed.

(b) **Further Assurances.** Promptly following a demand made by a party, the other party will execute, deliver, file and record any financing statement, specific assignment or other document and take any other action that may be necessary or desirable and reasonably requested by that party to create, preserve, perfect or validate any security interest granted under Paragraph 2, to enable that party to exercise or enforce its rights under this Deed with respect to Posted Credit Support or an Interest Amount or to effect or document a release of a security interest on Posted Collateral or an Interest Amount

(c) **Further Protection.** The Chargor will promptly give notice to the Secured Party of, and defend against, any suit, action, proceeding or lien that involves Posted Credit Support transferred by the Chargor or that could adversely affect the security interest granted by it under Paragraph 2

(d) **Good Faith and Commercially Reasonable Manner.** Performance of all obligations under this Deed, including, but not limited to, all calculations, valuations and determinations made by either party, will be made in good faith and in a commercially reasonable manner

(e) **Demands and Notices.** All demands and notices made by a party under this Deed will be made as specified in Section 12 of the Agreement, except as otherwise provided in Paragraph 13

(f) **Specifications of Certain Matters.** Anything referred to in this Deed as being specified in Paragraph 13 also may be specified in one or more Confirmations or other documents and this Deed will be construed accordingly

(g) **Governing Law and Jurisdiction.** This Deed will be governed by and construed in accordance with English law. With respect to any suit, action or proceedings relating to this Deed, each party irrevocably submits to the jurisdiction of the English courts

## **Paragraph 12. Definitions**

As used in this Deed

***“Assigned Rights”*** means all rights relating to the Posted Collateral which the Chargor may have now or in the future against the Secured Party or any third party, including, without limitation, any right to delivery of a security of the appropriate description which arises in connection with (a) any Posted Collateral being transferred to a clearance system or financial intermediary or (b) any interest in or to any Posted Collateral being acquired while that Posted Collateral is in a clearance system or held through a financial intermediary

***“Base Currency”*** means the currency specified as such in Paragraph 13(a)(i)

***“Base Currency Equivalent”*** means, with respect to an amount on a Valuation Date, in the case of an amount denominated in the Base Currency, such Base Currency amount and, in the case of an amount in a currency other than the Base Currency (the “Other Currency”), the amount in the Base Currency required to purchase such amount of the Other Currency at the spot exchange rate determined by the Valuation Agent for value on such Valuation Date

***“Chargor”*** means either party, when (i) that party receives a demand for or is required to transfer Eligible Credit Support under Paragraph 3(a) or (ii) in relation to that party the other party holds any Posted Credit Support

***“Credit Support Amount”*** means, with respect to a Secured Party on a Valuation Date, (i) the Secured Party’s Exposure plus (ii) all Independent Amounts applicable to the Chargor, if any, minus (iii) all Independent Amounts applicable to the Secured Party, if any, minus (iv) the Chargor’s Threshold, *provided, however*, that the Credit Support Amount will be deemed to be zero whenever the calculation of Credit Support Amount yields a number less than zero

***“Custodian”*** has the meaning specified in Paragraphs 6(b)(i) and 13

***“Delivery Amount”*** has the meaning specified in Paragraph 3(a).

***“Disputing Party”*** has the meaning specified in Paragraph 5

***“Distributions”*** means, with respect to Posted Collateral other than cash, all principal, interest and other payments and distributions of cash or other property with respect to that Posted Collateral. Distributions will not include any item of property acquired by the Secured Party upon any disposition or liquidation of Posted Collateral

***“Distributions Date”*** means, with respect to any Eligible Collateral comprised in the Posted Collateral other than cash, each date on which a holder of the Eligible Collateral is entitled to receive Distributions or, if that date is not a Local Business Day, the next following Local Business Day

***“Eligible Collateral”*** means, with respect to a party, the items, if any, specified as such for that party in Paragraph 13(c)(ii)

***“Eligible Credit Support”*** means Eligible Collateral and Other Eligible Support, including in relation to any securities, if applicable, the proceeds of any redemption in whole or in part of such securities by the relevant issuer

***“Eligible Currency”*** means each currency specified as such in Paragraph 13(a)(ii), if such currency is freely available

***“Exposure”*** means with respect to a party on a Valuation Date and subject to Paragraph 5 in the case of a dispute, the amount, if any, that would be payable to that party by the other party (expressed as a positive number) or by that party to the other party (expressed as a negative number) pursuant to Section 6(e)(ii)(1) of the Agreement if all Transactions were being terminated as of the relevant Valuation Time, on the basis that (i) that party is not the Affected Party and (ii) the Base Currency is the Termination Currency, *provided* that Market Quotation will be determined by the Valuation Agent on behalf of that party using its estimates at mid-market of the amounts that would be paid for Replacement Transactions (as that term is defined in the definition of “Market Quotation”)

***“Independent Amount”*** means, with respect to a party, the Base Currency Equivalent of the amount specified as such for that party in Paragraph 13(c)(iv)(A), if no amount is specified, zero

***“Interest Amount”*** means, with respect to an Interest Period, the aggregate sum of the Base Currency Equivalent of the amounts of interest determined for each relevant currency and calculated for each day in that Interest Period on the principal amount of Posted Collateral in the form of cash in such currency held by the Secured Party on that day, determined by the Valuation Agent for each such day as follows

- (x) the amount of that cash in such currency on that day, multiplied by
- (y) the relevant Interest Rate in effect for that day, divided by
- (z) 360 (or, if such currency is pounds sterling, 365)

***“Interest Period”*** means the period from (and including) the last Local Business Day on which an Interest Amount was transferred (or, if no Interest Amount has yet been transferred, the Local Business Day on which Posted Collateral in the form of cash was transferred to or received by the Secured Party) to (but excluding) the Local Business Day on which the current Interest Amount is transferred

***“Interest Rate”*** means, with respect to an Eligible Currency the rate specified in Paragraph 13(i)(i) for that currency

***“Local Business Day”***, unless otherwise specified in Paragraph 13(1), means

- (i) in relation to a transfer of cash or other property (other than securities) under this Deed, a day on which commercial banks are open for business (including dealings in foreign exchange and

foreign currency deposits) in the place where the relevant account is located and, if different, in the principal financial centre, if any, of the currency of such payment,

(ii) in relation to a transfer of securities under this Deed, a day on which the clearance system agreed between the parties for delivery of the securities is open for the acceptance and execution of settlement instructions or, if delivery of the securities is contemplated by other means, a day on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in the place(s) agreed between the parties for this purpose,

(iii) in relation to a valuation under this Deed, a day on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in the place of location of the Valuation Agent and in the place(s) agreed between the parties for this purpose; and

(iv) in relation to any notice or other communication under this Deed, in the place specified in the address for notice most recently provided by the recipient.

***“Minimum Transfer Amount”*** means, with respect to a party, the amount specified as such for that party in Paragraph 13(c)(iv)(C), if no amount is specified, zero

***“Notification Time”*** has the meaning specified in Paragraph 13(d)(iv)

***“Obligations”*** means, with respect to a party, all present and future obligations of that party under the Agreement and this Deed and any additional obligations specified for that party in Paragraph 13(b)

***“Other Eligible Support”*** means, with respect to a party, the items, if any, specified as such for that party in Paragraph 13

***“Other Posted Support”*** means all Other Eligible Support transferred to the Secured Party that remains in effect for the benefit of that Secured Party

***“Posted Collateral”*** means all Eligible Collateral, other property, Distributions and all proceeds of any such Eligible Collateral, other property or Distributions that have been transferred to or received by the Secured Party under this Deed and not transferred to the Chargor pursuant to Paragraph 3(b), 4(d)(ii) or 6(g)(i) or realised by the Secured Party under Paragraph 8 Any Distributions or Interest Amount (or portion of either) not transferred pursuant to Paragraph 6(g) will constitute Posted Collateral

***“Posted Credit Support”*** means Posted Collateral and Other Posted Support.

***“Recalculation Date”*** means the Valuation Date that gives rise to the dispute under Paragraph 5, *provided, however*, that if a subsequent Valuation Date occurs under Paragraph 3 prior to the resolution of the dispute, then the “Recalculation Date” means the most recent Valuation Date under Paragraph 3

***“Relevant Event”*** has the meaning specified in Paragraph 7

***“Resolution Time”*** has the meaning specified in Paragraph 13(g)(i)

***“Return Amount”*** has the meaning specified in Paragraph 3(b)

***“Secured Party”*** means either party, when that party (i) makes a demand for or is entitled to receive Eligible Credit Support under Paragraph 3(a) or (ii) holds or is deemed to hold Posted Credit Support.

***“Settlement Day”*** means, in relation to a date, (i) with respect to a transfer of cash or other property (other than securities), the next Local Business Day and (ii) with respect to a transfer of securities, the first Local Business Day after such date on which settlement of a trade in the relevant securities, if effected on such date, would have been settled in accordance with customary practice when settling through the clearance system agreed between the parties for delivery of such securities or, otherwise, on the market in which such securities are principally traded (or, in either case, if there is no such customary practice, on the first Local Business Day after such date on which it is reasonably practicable to deliver such securities)

***“Specified Condition”*** means, with respect to a party, any event specified as such for that party in Paragraph 13(e)

***“Substitute Credit Support”*** has the meaning specified in Paragraph 4(d)(i)

***“Substitution Date”*** has the meaning specified in Paragraph 4(d)(ii)

***“Substitution Notice”*** has the meaning specified in Paragraph 4(d)(i)

***“Threshold”*** means, with respect to a party, the Base Currency Equivalent of the amount specified as such for that party in Paragraph 13(c)(iv)(B), if no amount is specified, zero

***“Valuation Agent”*** has the meaning specified in Paragraph 13(d)(i).

***“Valuation Date”*** means each date specified in or otherwise determined pursuant to Paragraph 13(d)(ii)

***“Valuation Percentage”*** means, for any item of Eligible Collateral, the percentage specified in Paragraph 13(c)(ii)

***“Valuation Time”*** has the meaning specified in Paragraph 13(d)(iii)

***“Value”*** means for any Valuation Date or other date for which Value is calculated, and subject to Paragraph 5 in the case of a dispute, with respect to

(i) Eligible Collateral or Posted Collateral that is

(A) an amount of cash, the Base Currency Equivalent of such amount multiplied by the applicable Valuation Percentage, if any, and

(B) a security, the Base Currency Equivalent of the bid price obtained by the Valuation Agent multiplied by the applicable Valuation Percentage, if any,

- 
- (ii) Posted Collateral that consists of items that are not specified as Eligible Collateral, zero, and
  - (iii) Other Eligible Support and Other Posted Support, as specified in Paragraph 13(j)

Certified as a true copy of the  
original instrument save for the  
material redacted pursuant to  
s 859G of the Companies Act 2006

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CSD

*Admiral LLP*

**Paragraph 13. Elections and Variables**

(a) **Base Currency and Eligible Currency**

- (i) "Base Currency" means Pounds Sterling
- (ii) "Eligible Currency" means the Base Currency only

(b) **Security Interest for "Obligations"** The term "Obligations" as used in this Deed includes the following additional obligations

With respect to Party A not applicable

With respect to Party B not applicable

(c) **Credit Support Obligations**

(i) **Delivery Amount, Return Amount and Credit Support Amount**

- (A) "Delivery Amount" has the meaning specified in Paragraph 3(a)
- (B) "Return Amount" has the meaning specified in Paragraph 3(b)
- (C) "Credit Support Amount" has the meaning specified in paragraph 12

(ii) **Eligible Collateral** The following items will qualify as "Eligible Collateral"

	Valuation Percentage
Cash in an Eligible Currency	100%
Negotiable debt obligations denominated in sterling issued by the UK Government with a tenor remaining to legal maturity (the "Remaining Maturity Tenor") of less than a year	99.5%
Negotiable debt obligations denominated in sterling issued by the UK Government with a Remaining Maturity Tenor of a year or more but less than 5 years	98%
Negotiable debt obligations denominated in sterling issued by the UK Government with a Remaining Maturity Tenor of 5 years or more but less than 10 years	96%
Negotiable debt obligations denominated in sterling issued by the UK Government with a Remaining Maturity Tenor of 10 years or more but less than 20 years	93.5%
Negotiable debt obligations denominated in sterling issued by the UK Government with a Remaining Maturity Tenor of 20 years or more but less than 30 years	92%

(iii) **Other Eligible Support** The following items will qualify as "Other Eligible Support" for the party specified Not applicable

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- (iv) **Thresholds**
- (A) **"Independent Amount"** means with respect to Party A not applicable  
"Independent Amount" means with respect to Party B not applicable
  - (B) **"Threshold"** means with respect to Party A not applicable  
"Threshold" means with respect to Party B not applicable
  - (C) **"Minimum Transfer Amount"** means with respect to Party A £50,000  
"Minimum Transfer Amount" means with respect to Party B £50,000
  - (D) **Rounding** The Delivery Amount will be rounded up and the Return Amount will be rounded down, in each case to the nearest integral multiple of £10,000
- (d) **Valuation and Timing**
- (i) **"Valuation Agent"** means Party A
  - (ii) **"Valuation Date"** means each Local Business Day from, and including, the Effective Date
  - (iii) **"Valuation Time"** means the close of business on the Local Business Day immediately preceding the Valuation Date or date of calculation, as applicable, provided that the calculations of Value and Exposure will, as far as practicable, be made as of approximately the same time on the same date
  - (iv) **"Notification Time"** means 2 00 p m , London time, on a Local Business Day
- (e) **Conditions Precedent and Secured Party's Rights and Remedies** The following Termination Event(s) will be a "Specified Condition" for the party specified (that party being the Affected Party if the Termination Event occurs with respect to that party)

	Party A	Party B
Illegality	Not applicable	Not applicable
Force Majeure Event	Not applicable	Not applicable
Tax Event	Not applicable	Not applicable
Tax Event Upon Merger	Not applicable	Not applicable
Credit Event Upon Merger	Not applicable	Not applicable

- (f) **Substitution.** Paragraph 4(d) is deleted and replaced with the following

**"(d) Substitutions**

- (i) The Chargor may on any Local Business Day, by notice (a "Substitution Notice") inform the Secured Party that it wishes to transfer to the Secured Accounts Eligible Credit Support (the "Substitute Credit Support") specified in that Substitution Notice in substitution for certain Eligible Credit Support (the "Original Credit Support") specified in the Substitution Notice comprised in the Chargor's Posted Collateral
- (ii) If the Secured Party notifies the Chargor that it has consented to the proposed substitution, (A) the Chargor will be obliged to transfer the Substitute Credit Support to the Secured Accounts on the first Settlement Date following the date on which it

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receives notice (which may be oral telephonic notice) from the Secured Party of its consent and (B) subject to Paragraph 4(a), the Secured Party will instruct the Custodian that upon receipt of the Substitute Credit Support into the Secured Accounts, the Custodian is to transfer to such account as may be specified by the Chargor, the Original Credit Support not later than the Settlement Day following the date on which the Substitute Credit Support is received into the Secured Accounts (the "Substitution Date"), provided that the transfer by the Custodian will only be in respect of Original Credit Support with a Value as of the date of transfer as close as practicable to, but in any event not more than, the Value of the Substitute Credit Support as of that date"

(g) **Dispute Resolution** The provisions of Paragraph 5 will not apply

(h) **Eligibility to Hold Posted Collateral and Use of Posted Collateral; Custodians.**

Any Posted Collateral to be delivered by the Chargor to satisfy its obligations under this Deed shall be transferred to, and held in, the Secured Accounts pursuant to the Custody Agreement

With respect to Posted Credit Support to be transferred by the Secured Party in accordance with Paragraphs 3(b) and 4 of this Deed, the Secured Party shall satisfy in full its obligation to transfer the Posted Credit Support by confirming in writing to the Custodian and the Chargor that it consents to the withdrawal from the Secured Accounts of such Posted Credit Support

(i) **Distributions and Interest Amount**

(i) **Interest Rate:** not applicable

(ii) **Transfer of Interest Amount:** not applicable

(iii) **Alternative to Interest Amount:** not applicable

(j) **Other Eligible Support and Other Posted Support**

(i) **"Value"** with respect to Other Eligible Support and Other Posted Support means not applicable

(ii) **Transfer of Other Eligible Support and Other Posted Support** All transfers under this Deed of Other Eligible Support and Other Posted Support shall be made as follows not applicable

(k) **Addresses for Transfers**

Transfers to Party A The Secured Accounts, or as otherwise agreed between Party A and Party B in writing

Transfers to Party B The Co-operative Bank plc  
Sort Code [REDACTED]  
Account Number [REDACTED]  
or as otherwise agreed between Party A and Party B in writing

(l) **Other Provisions**

(i) **Definitions**

Paragraph 12 is amended by

(a) adding the following definitions

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"*Agreement*" means the 1992 ISDA Master Agreement (Multicurrency – Cross Border) dated as of 25 March 1997 between Party A and Party B, as amended and supplemented from time to time

"*Cash Account*" means the cash account of the Chargor maintained with the Custodian pursuant to the Custody Agreement and numbered [REDACTED] and includes any successor or replacement cash account

"*Custody Agreement*" means the custody agreement dated on or about the date hereof between the Chargor, the Secured Party and the Custodian, as amended and supplemented from time to time

"*Effective Date*" has the meaning given to such term in the Relevant Confirmation

"*Income Distributions*" means, in respect of Posted Collateral, all interest, dividends and other income distributed or paid in respect of that Posted Collateral

"*Relevant Confirmation*" means the Confirmation between Party A and Party B dated on or about the date hereof

"*Secured Accounts*" means the Cash Account and the Securities Account

"*Securities Account*" means the securities account of the Chargor maintained with the Custodian pursuant to the Custody Agreement and numbered [REDACTED] and includes any successor or replacement securities account

(b) replacing the following definitions

"*Assigned Rights*" means all rights relating to the Posted Collateral which the Chargor may have now or in the future against the Custodian, the Secured Party or any third party, including, without limitation, any right to delivery of a security of the appropriate description which arises in connection with (a) any Posted Collateral being transferred to a clearance system or financial intermediary or (b) any interest in or to any Posted Collateral being acquired while that Posted Collateral is in a clearance system or held through a financial intermediary

"*Chargor*" means Party B

"*Custodian*" means The Bank of New York Mellon, London Branch and any successor custodian appointed in accordance with the terms of the Custody Agreement

"*Exposure*" means, with respect to the Secured Party on a Valuation Date, an amount equal to the lesser of (i) £15,000,000 and (ii) the Leek 18 Extension Exposure (as defined in the Relevant Confirmation) on such date

"*Secured Party*" means Party A

(ii) *Relevant Event*. Paragraph 7 is deleted and replaced with the following

"*Paragraph 7. Default*

For the purposes of this Deed, a "Relevant Event" will have occurred with respect to the Chargor if

- (i) an Event of Default has occurred in respect of the Chargor under the Agreement, or
- (ii) the Chargor fails to comply with any Obligation under this Deed to transfer Eligible Collateral, or to give an instruction required of it, and that failure continues for one Local Business Day after notice of that failure is given to the Chargor, or

- (iii) the Chargor fails to perform any Obligation other than those specified in Paragraph 7(ii) and that failure continues for 10 days after notice of that failure is given to the Chargor "
- (iii) Paragraphs 2(a) to (d) are deleted and replaced with the following
- "(a) *Covenant to Perform* Each party covenants with the other party that it will perform the Obligations in the manner provided in the Agreement, this Deed or any other relevant agreement
- (b) *Security* The Chargor, with full title guarantee and as security for the performance of all Obligations (i) charges in favour of the Secured Party by way of first fixed charge, the Secured Accounts, all its present and future right, title and interest in or to the Secured Accounts and all amounts (including interest), securities, assets and interests in securities and assets now or in the future in, standing to the credit of, accrued or accruing on, or recorded in, the Secured Accounts, and all income, rights or property derived from or attaching to such securities, assets and interests and any rights relating to any of such securities, assets and interests which are deposited with or registered in the name of any depositary, custodian, nominee, clearing house or system or similar person or its nominee, in each case whether or not on a fungible basis (including any rights against any such person), and (ii) assigns and agrees to assign the Assigned Rights to the Secured Party absolutely
- (c) *Release of Security* Upon any transfer of Posted Collateral out of the Secured Accounts by the Custodian in accordance with the other provisions of this Deed and the Custody Agreement, the security interest granted under this Deed on the assets the subject of the transfer will be released immediately without any further action by either the Chargor or the Secured Party
- (d) *Preservation of Security* The security constituted by this Deed shall be a continuing security and shall not be satisfied by any intermediate payment or satisfaction of the whole or any part of the Obligations but shall secure the ultimate balance of the Obligations The security constituted by this Deed shall be in addition to and shall not be affected by any other security now or subsequently held by the Secured Party for all or any of the Obligations "
- (iv) Paragraph 4(b) shall be deleted in its entirety and replaced with the following
- "(b) *Transfers* All transfers by the Chargor under this Deed of any Eligible Credit Support shall be made to the Secured Accounts and shall be made
- (i) in the case of cash, by transfer into the Cash Account, and
- (ii) in the case of securities, by transfer into the Securities Account
- Unless otherwise specified, if a demand for the transfer of Eligible Credit Support or Posted Collateral is received by the Notification Time, then the relevant transfer will be made not later than the close of business on the Settlement Day relating to the date such demand is received, if a demand is received after the Notification Time, then the relevant transfer will be made not later than the close of business on the Settlement Day relating to the day after the date such demand is received "
- (v) Paragraph 6 is deleted and replaced with the following
- "*Paragraph 6 Holding Posted Collateral*
- (a) *Care of Posted Collateral* The Secured Party will have no duty with respect to Posted Collateral, including, without limitation, any duty to collect any Distributions, or enforce or preserve any rights pertaining to the Posted Collateral
- (b) *Eligibility to Hold Posted Collateral, Custodians*

- (i) *General* Not Applicable
- (ii) *Failure to Satisfy Conditions* Not Applicable
- (iii) *Liability* Not Applicable
- (c) *Segregated Accounts* The Chargor shall open the Securities Account on terms that all Posted Collateral in the Securities Account is segregated from any other assets of the Chargor, the Custodian or of any other person. The Chargor shall require the Custodian to hold, record and/or identify in the Securities Account all Posted Collateral credited thereto and, except as provided otherwise herein, such Collateral shall at all times be and remain the property of the Chargor and segregated from the property of the Secured Party or the Custodian, as the case may be, and shall at no time constitute the property of, or be commingled with the property of, the Secured Party or the Custodian.
- (d) *No Use of Collateral* For the avoidance of doubt, and without limiting the rights of the Secured Party under the other provisions of this Deed, the Secured Party will not have the right to sell, pledge, rehypothecate, assign, invest, use, commingle or otherwise dispose of, or otherwise use in its business any Posted Collateral credited to the Secured Accounts.
- (e) *Rights Accompanying Posted Collateral*
  - (i) *Income Distributions and Voting Rights* Unless and until a Relevant Event occurs, the Chargor shall be entitled to all Income Distributions. Unless and until the Obligations have been satisfied in full, the Secured Party shall be entitled to exercise any voting rights attached to any of the Posted Collateral (but only in a manner consistent with the terms of this Deed).
  - (ii) *Suspension of Rights of the Chargor prior to and following a Relevant Event* Subject to the following sentence, the Chargor shall not be entitled to withdraw Posted Collateral from the Secured Accounts, save as expressly permitted under the terms of this Deed, and in particular the terms of paragraphs 3(b), 4(d), 6(g), 8(d) or 8(e). Following receipt by the Custodian of notice from the Secured Party of the occurrence of a Relevant Event, the Chargor shall not be entitled to receive, withdraw or otherwise transfer from the Secured Accounts any Posted Collateral deposited in or credited to the Secured Accounts, unless the Custodian has received confirmation from the Secured Party that the Relevant Event has been satisfactorily cured or the Obligations have been satisfied in full.
  - (iii) *Exercise by Secured Party* At any time after the occurrence of a Relevant Event and without any further consent or authority on the part of the Chargor the Secured Party may exercise at its discretion (in the name of the Chargor or otherwise) in respect of any of the Posted Collateral any voting rights and any powers or rights which may be exercised by the person or persons in whose name or names the Posted Collateral is registered or who is the holder or bearer of them. If the Secured Party exercises any such rights or powers, it will give notice of the same to the Chargor as soon as practicable.
- (f) *Calls and Other Obligations*
  - (i) *Payment of Calls* The Chargor will pay all calls or other payments which may become due in respect of any of the Posted Collateral.
  - (ii) *Requests for Information* Not Applicable
  - (iii) *Continuing Liability of Chargor* The Chargor shall remain liable to observe and perform all of the other conditions and obligations assumed by it in respect of any of the Posted Collateral. The obligation of the Chargor to transfer Eligible Credit Support pursuant to

Paragraph 3(a) shall be satisfied by the Chargor transferring such Eligible Credit Support to the Secured Accounts

- (iv) **No Liability of Secured Party** The Secured Party shall not be required to perform or fulfil any obligation of the Chargor in respect of the Posted Collateral or to make any payment, or to make any enquiry as to the nature or sufficiency of any payment received by it or the Chargor, or to present or file any claim or take any other action to collect or enforce the payment of any amount to which it may have been or to which it may be entitled under this Deed at any time

(g) **Distributions and Interest Amount**

- (i) **Income Distributions** Unless and until a Relevant Event occurs, the Chargor may instruct the Custodian to, not later than the Settlement Day following each Distributions Date, transfer from the Secured Accounts to such account as may be specified by the Chargor any Income Distributions received by the Custodian in respect of the Secured Accounts to the extent that a Delivery Amount would not be created or increased by the transfer, as calculated by the Valuation Agent (and the date of calculation will be deemed to be a Valuation Date for this purpose)

- (ii) **Interest Amount** Not Applicable

Any Distributions (or portion thereof) not transferred pursuant to this Paragraph will constitute Posted Collateral and will be subject to the security interest granted under Paragraph 2(b) or otherwise will be subject to the set-off provided in Paragraph 8(a)(ii) "

- (vi) **Rights of Enforcement** Paragraphs 8(d) and (e) are deleted and replaced with the following

"(d) **Deficiencies and Excess Proceeds** Any proceeds and Posted Collateral remaining after liquidation, set-off and/or application under Paragraph 8(a) and after satisfaction in full of all amounts payable by the Chargor with respect to any Obligations shall be released from the security interest under this Deed and the Chargor shall be free to deal with such assets in its complete discretion. In addition, the security interest over the Secured Accounts shall be released in its entirety. The Chargor in all events will remain liable for any amounts remaining unpaid after any liquidation, set-off and/or application under Paragraph 8(a)

- (e) **Final Returns** When no amounts are or may become payable by the Chargor with respect to any Obligations (except for any potential liability under Section 2(d) of the Agreement), the security interest over the Secured Accounts shall be released in its entirety and the Chargor shall be free to deal with the assets in such Secured Accounts in its complete discretion "

- (vii) **Representations** Paragraph 9 is deleted and replaced with the following

**"Paragraph 9. Representations**

The Chargor represents and warrants to the Secured Party (which representations will be deemed to be repeated as of each date on which it transfers Eligible Collateral) that

- (i) it has the power to grant a security interest in any Eligible Collateral it transfers as the Chargor to the Secured Accounts under this Deed and has taken all necessary actions to authorise the granting of that security interest,
- (ii) it is the beneficial owner of all Eligible Collateral it transfers as the Chargor to the Secured Accounts under this Deed, free and clear of any security interest, lien, encumbrance or other interest or restriction other than

- (A) the security interest granted under Paragraph 2;
  - (B) any encumbrances arising by operation of law, and/or
  - (C) any lien routinely imposed on all securities in a clearing system in which any such Eligible Collateral may be held,
- (iii) upon the transfer of any Eligible Collateral by it as the Chargor to the Secured Accounts under the terms of this Deed, the Secured Party will have a valid security interest such Eligible Collateral and the Secured Accounts, and
- (iv) the performance by it as the Chargor of its obligations under this Deed will not result in the creation of any security interest, lien or other interest or encumbrance in or on any Posted Collateral other than the security interest created under this Deed (other than any lien routinely imposed on all securities in a clearing system in which any such Posted Collateral may be held) ”
- (viii) Paragraph 10(b) is deleted and replaced with the following
- “(b) *Posted Collateral* The Chargor will promptly pay when due all taxes, assessments or charges of any nature that are imposed with respect to Posted Collateral held in the Secured Accounts upon becoming aware of the same ”
- (ix) Paragraph 11(a) is deleted and replaced with the following
- “(a) *Default Interest* Not Applicable ”
- (x) *One-way Security* For the avoidance of doubt, only Party A will benefit from the Security and have the right to demand a Delivery Amount under Paragraph 3 Party A does not undertake any of the covenants or grant any of the rights with respect to itself or its property that it would otherwise undertake or grant as Chargor under this Deed
- (xi) *Transfer* Party A and Party B agree that Party A may assign or novate its rights and obligations under this Deed to any entity to whom it transfers its rights and obligations under the swap transactions between Party A and Leek Finance Number Eighteen plc Party A agrees to pay the reasonable costs and expenses (including legal fees) of Party B incurred in connection with such a transfer and Party B agrees to consent to any such transfer
- (xii) *Cumulative Rights* The rights, powers and remedies of the Secured Party under this Deed are in addition to all rights, powers and remedies given to the Secured Party by the Agreement or by virtue of any statute or rule of law, all of which rights, powers and remedies will be cumulative and may be exercised successively or concurrently without impairing the rights of the Secured Party in the Posted Credit Support.
- (xiii) *Local Business Day.* Notwithstanding the definition of Local Business Day in Paragraph 12, a day will not be a Local Business Day unless it is also a day on which commercial banks are open for business in London
- (xiv) *Demands and Notices.* All demands, specifications and notices under this Deed will be made pursuant to Section 12 of the Agreement, save that any demand, specification or notice
- (A) will be given to or made at the following addresses
- If to Party A
- Address RBS Financial Markets, 135 Bishopsgate, London EC2M 3UR

EXECUTION VERSION  
2 September 2013

Telephone +44 20 7085 8024, +44 20 085 9825, +44 20 7678, +44 20 7085 6882  
Facsimile +44 (0)20 7085 5050  
E-mail gbmukfiratesolutionsales@rbs.com, GBMbalanceguaranteed@rbs.com,  
gbminflationdesksupport@rbs.com,  
gbmstructuredfinancederivativedesolutions@rbs.com  
Attention M&IB Swaps Team, M&IB Trading Team, M&IB Middle Office, Swaps  
Administration, M&IB Structured Finance Derivatives Solutions

If to Party B

Address Britannia House, Leek ST13 5RG  
Telephone 01538 399 399  
Facsimile 01538 399519  
E-mail sgcapitalmanagement@cfs.coop  
Attention Capital Management, Treasury

or at such other address as the relevant party may from time to time designate by giving notice  
(in accordance with the terms of this subparagraph) to the other party,

- (B) received on a day which is not a Local Business Day or after the Notification Time on any  
Local Business Day will be deemed to be effective on the next succeeding Local Business  
Day
- (xv) **Governing Law and Jurisdiction.** Paragraph 11(g) shall be deleted and replaced with the following
- “(g) **Governing Law and Jurisdiction.** This Deed and any non-contractual obligations arising out of  
or in relation to this Deed shall be governed by and construed in accordance with English law  
Any suit, action or proceedings arising out of or relating to this Deed or any non-contractual  
obligations arising out of or relating to this Deed shall be submitted to the jurisdiction of the  
English courts ”
- (xvi) **Form of Deed** The parties hereby agree that the text of the body of this Deed is intended to be the  
printed form of the ISDA Credit Support Deed (Bilateral Form – Security Interest – ISDA Agreements  
Subject to English Law version) as published and copyrighted by the International Swaps and  
Derivatives Association, Inc with The Royal Bank of Scotland plc as “Party A” and The Co-Operative  
Bank P L C as “Party B”
- (xvii) **Scope.** This Deed relates to the Relevant Confirmation
- (xviii) **Financial collateral arrangement** In addition to its rights under Paragraph 8, to the extent that this  
Deed constitutes a “financial collateral arrangement” (as defined in the Financial Collateral  
Arrangements (No 2) Regulations 2003 (the “Regulations”)) the Secured Party shall have the right at  
any time (a) a Relevant Event has occurred and is continuing or (b) an Early Termination Date has  
occurred or been designated under the Agreement as a result of an Event of Default with respect to the  
Chargor, unless the Chargor has paid in full all of its Obligations that are then due, to appropriate any  
Posted Collateral which constitutes Financial Collateral (as defined in the Regulations) in or towards  
satisfaction of the Obligations in accordance with the Regulations Where, upon appropriation under  
this Paragraph or otherwise, it is necessary under the Regulations to determine the value of any Eligible  
Collateral, the parties agree that the value of such Posted Collateral shall be the value as determined by  
the Secured Party acting in good faith and in a commercially reasonable manner



EXECUTION VERSION  
2 September 2013

- (xix) Notwithstanding anything to the contrary in this Deed but subject to the terms of the Custody Agreement, Party A shall have no obligation to pay or to transfer Interest Amounts or Distributions to Party B with respect to Posted Collateral
- (xx) Notwithstanding anything to the contrary in this Deed (including, without limitation, Paragraph 6), the parties agree that
- 1 The Custodian is not Party A's Custodian for purposes of Paragraph 6(b)(iii) or for any other purposes and Paragraph 6(b)(iii) shall not apply with respect to the Custodian
  - 2 Party A will have no duty to assure the safe custody of Posted Collateral held by the Custodian
  - 3 Any obligation of Party A to transfer, or cause the Custodian to transfer, Posted Collateral held by the Custodian to Party B shall be deemed satisfied by Party A's sending appropriate instructions to the Custodian in accordance with the terms of the Custody Agreement to effect such transfer. For the avoidance of doubt, Party A shall bear no liability for the failure of the Custodian to comply with such instructions and no such failure shall constitute an Event of Default with respect to Party A
  - 4 The delivery of (i) Eligible Credit Support by Party B to the Custodian pursuant to the Custody Agreement shall be deemed to be a transfer of Eligible Credit Support to Party A pursuant to the terms of this Deed and (ii) Posted Collateral to Party B pursuant to the Custody Agreement shall be deemed to be a transfer of Posted Collateral to Party B pursuant to the terms of this Deed. For the avoidance of doubt, the term "transfer" also is deemed to include transfers made in accordance with the instructions of the Custodian

EXECUTION VERSION  
2 September 2013

IN WITNESS of which this Deed has been executed as a deed and has been delivered on the date first above written

**PARTY A**

EXECUTED as a deed by

THE ROYAL BANK OF SCOTLAND PLC )  
acting by: *WANDA CLAYTON* )

acting under the authority of that company in the presence of:

Witness' Signature

Witness' Name.

Witness's Address

**PARTY B**

EXECUTED as a deed by

THE CO-OPERATIVE BANK P.L.C. )  
acting by two authorised signatories )  
)

acting under the authority of that company in the presence of.

Witness' Signature

Witness' Name:

Witness's Address

EXECUTION VERSION  
2 September 2013

IN WITNESS of which this Deed has been executed as a deed and has been delivered on the date first above written

PARTY A

EXECUTED as a deed by

THE ROYAL BANK OF SCOTLAND PLC )

acting by )

acting under the authority of that company in the presence of

Witness' Signature

Witness' Name

Witness's Address

PARTY B

EXECUTED as a deed by

THE CO-OPERATIVE BANK P.L.C. )

acting by two authorised signatories )

acting under the authority of that company in the presence of

Witness' Signature

Witness' Name

Witness's Address