

MR01

Particulars of a charge

232854/13



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

☒ 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 the
instrument Use form MR08



RCS *R2G8LFF6* #131
05/09/2013
COMPANIES HOUSE

A08 *A2GN26NC* #22
10/09/2013
COMPANIES HOUSE

A08 *A2GAAQAQ* #245
05/09/2013
COMPANIES HOUSE

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. This must be scanned and placed on the public record.

1 Company details

Company number 0 2 2 9 4 7 4 7

Company name in full SANTANDER UK PLC

1 2 For official use

→ Filling 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 02 00 08 20 13

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 GOVERNOR AND COMPANY OF THE BANK OF ENGLAND
(as Security Trustee)

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

MR01

Particulars of a charge

4

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

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

MR01

Particulars of a charge

8

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)

9

Signature

Please sign the form here

Signature

Signature

X *Allen & Overy LLP*

4/9/2013

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 **Jared Tausz**

Company name
Allen & Overy LLP

Address **One Bishops Square**

Post town **London**

County/Region

Postcode **E 1 6 A D**

Country **United Kingdom**

DX **73**

Telephone **020 3088 0000**



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 or email 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



FILE COPY

CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 2294747

Charge code: 0229 4747 0012

The Registrar of Companies for England and Wales hereby certifies that a charge dated 20th August 2013 and created by SANTANDER UK PLC was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 5th September 2013

17x

Given at Companies House, Cardiff on 17th September 2013



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

Except for material redacted pursuant to
Section 859G of the Companies Act 2006,
I certify that this is a correct copy of the
original document.


JOANNE MONIQUE GIRVAN
SOLICITOR

ALLEN & OVERY LLP
ONE BISHOPS SQUARE
LONDON E1 6AD

20th August 2013

**DEED RELATING TO CREDIT RATING AFFECTED MEMBERS AND STEPPED
COLLATERAL MEMBERS**

to the

CHEQUE AND CREDIT LIQUIDITY FUNDING AND COLLATERALISATION AGREEMENT
and
DEED OF CHARGE

Between

THE CHEQUE AND CREDIT CLEARING COMPANY LIMITED
as the C&C System Operator

THE GOVERNOR AND COMPANY OF THE BANK OF ENGLAND
as the Settlement Service Provider

THE GOVERNOR AND COMPANY OF THE BANK OF ENGLAND
as the Security Trustee

THE CHEQUE MEMBERS

THE CREDIT MEMBERS

THIS DEED is dated 20th August 2013 between:

- (1) THE CHEQUE AND CREDIT CLEARING COMPANY LIMITED, whose registered office is at 2 Thomas More Square, London, E1W 1YN and whose registered number is 1962903 (the "C&C System Operator"),
- (2) THE GOVERNOR AND COMPANY OF THE BANK OF ENGLAND of Threadneedle Street, London EC2R 8AH in its capacity as the "Settlement Service Provider",
- (3) THE GOVERNOR AND COMPANY OF THE BANK OF ENGLAND of Threadneedle Street, London EC2R 8AH in its capacity as the "Security Trustee",
- (4) those persons identified as THE CHEQUE MEMBERS in Schedule 1, and
- (5) those persons identified as THE CREDIT MEMBERS in Schedule 1

RECITALS

- (A) This Deed is in relation to
 - (i) the Cheque and Credit Liquidity Funding and Collateralisation Agreement (the "Liquidity Agreement") dated 14 June 2012 made between the C&C System Operator, the Settlement Service Provider, the Security Trustee, the Cheque Members and the Credit Members, as supplemented, amended and restated from time to time and
 - (ii) the Deed of Charge between the Chargors and the Security Trustee dated 11 June 2012 (the "Charge") as supplemented, amended and restated from time to time
- (B) The Board of Directors of the C&C System Operator has by written resolution adopted certain amendments to the System Rules to (i) allow a person who does not satisfy the minimum credit rating criteria (but who satisfies all other criteria) to remain a Member of the System and (ii) require a Member with a credit rating below certain thresholds to post additional collateral
- (C) This Deed makes certain amendments to the Liquidity Agreement and the Charge in order to implement such amended System Rules referred to in Recital B
- (D) It is intended that this document takes effect as a deed notwithstanding the fact that a party might only execute this document under hand

IT IS AGREED AS FOLLOWS

1. INTERPRETATION

Definitions

- (a) Terms defined in the Liquidity Agreement and the Charge have the same meaning when used in this Deed (including the Recitals) unless otherwise defined or the context otherwise requires
- (b) "Effective Date" means the date, subject to all parties to this Deed having signed this Deed designated as such by the C&C System Operator

2. ADDITIONAL RULES FOR CREDIT RATING AFFECTED MEMBERS AND STEPPED COLLATERAL MEMBERS

- (a) The Board of Directors of the C&C System Operator has by resolution dated 20th August 2013 amended Rule 2.1 of the System Rules by replacing Rule 2.1(c) with a new Rule 2.1(c) and inserting new Rules 2.1(a)(xiii), 2.1(a)(xiv), 2.1(a)(xv), 2.1(a)(xvi), 2.1(a)(xvii), 2.1(a)(xviii), 2.1(e) and 2.1(f) as set out in Schedule 2
- (b) The Members hereby agree on and from the Effective Date to be bound by the System Rules applicable to Stepped Collateral Members and Credit Rating Affected Members
- (c) A Credit Rating Affected Member may confirm that it intends to remain a Member of the System and adhere to the System Rules that are expressed to be applicable to Credit Rating Affected Members by executing and delivering to the C&C System Operator a duly executed Credit Rating Affected Member Confirmation Letter (as defined below)

3. AMENDMENTS TO LIQUIDITY AGREEMENT AND CHARGE

- (a) The parties agree that, on and from the Effective Date the Liquidity Agreement and the Charge shall be amended in the manner set out in Clauses 4 and 5 below
- (b) Subject to the terms of this Deed, each of the Liquidity Agreement and the Charge shall remain in full force and effect (by reference, where applicable to each such other agreement) in each case as each such agreement is supplemented and as appropriate amended by this Deed

4. AMENDMENTS TO THE LIQUIDITY AGREEMENT

4.1 Amendments to Definitions

- (a) A new definition of 'Additional Collateral' shall be inserted in the Liquidity Agreement as follows:

"Additional Collateral" means collateral securities provided by a Stepped Collateral Member or a Credit Rating Affected Member pursuant to clause 4.4(a) of this Agreement "

- (b) The definition of 'Collateral' in the Liquidity Agreement shall be deleted and replaced with the following

"Collateral" means, with respect to a Chargor, the collateral securities

- (a) which meet the criteria specified in Schedule 3 (together with any Dividends with respect to those collateral securities)
- (b) which are subject to a Security Interest only in favour of the Security Trustee (as agent and trustee for the Beneficiaries) under a Security Document and
- (c) if those collateral securities are Non-Asset Backed Securities they are not issued by that Chargor or a member of that Chargor's Group,

provided that, when used in relation to Collateral posted as Additional Collateral "Collateral" means collateral securities which satisfy (a) and (b) above and meet the additional criteria specified in Schedule 5 "

- (c) The definition of "Collateral Amount" in the Liquidity Agreement shall be deleted and replaced with the following:

"**Collateral Amount**" means, in relation to a Chargor, the amount specified against its name under the column headed "Collateral Amount (£)" in Schedule 2, or deemed to be specified under clause 2.3(c), (as the same may be adjusted in accordance with this Agreement from time to time) "

- (d) A new definition of 'Credit Rating Affected Member' shall be inserted in the Liquidity Agreement as follows

"**Credit Rating Affected Member**" has the meaning given to that term in the System Rules "

- (e) A new definition of "Credit Rating Affected Member Confirmation Letter" shall be inserted in the Liquidity Agreement as follows

"**Credit Rating Affected Member Confirmation Letter**" means a letter in the form set out in Schedule 6 duly completed "

- (f) A new definition of "Increased Collateral Amount" shall be inserted in the Liquidity Agreement as follows

"**Increased Collateral Amount**" has the meaning given to that term in the System Rules "

- (g) A new definition of "Increased Collateral Amount Delivery Date" shall be inserted in the Liquidity Agreement as follows:

"**Increased Collateral Amount Delivery Date**" means a date no later than

- (a) 10 Business Days after the date on which the relevant Member becomes aware, or the C&C System Operator has notified the relevant Member, that the relevant Member has become a Credit Rating Affected Member or the relevant Member has become a Stepped Collateral Member or, where the relevant Member is already a Stepped Collateral Member, the relevant Member's Increased Collateral Amount has increased; or

- (b) with respect to each Credit Rating Affected Member who is expressed to be subject to daily monitoring of its Largest Single Debit Amount by the System Operator under the System Rules, one Liquidity Day after the date on which the relevant Member becomes aware that its Increased Collateral Amount has increased "

- (h) The definition of "Return Amount" in the Liquidity Agreement shall be deleted and replaced with the following.

Return Amount

means, in relation to a Chargor at any time, the amount by which

- (a) the Adjusted Market Value in Sterling of Collateral delivered by that Chargor and recorded in its Securities Account at that time, exceeds
- (b) its Collateral Amount (or, if it is a Credit Rating Affected Member or Stepped Collateral Member, its Increased Collateral Amount).

if such excess is greater than or equal to the lesser of

- (i) 10 per cent of its Collateral Amount (or, if it is a Credit Rating Affected Member or Stepped Collateral Member, its Increased Collateral Amount), and
 - (ii) £5 million "
- (i) A new definition of "Stepped Collateral Member" shall be inserted in the Liquidity Agreement as follows
- "'Stepped Collateral Member' has the meaning given to that term in the System Rules "
- (j) A new definition of "System Rules" shall be inserted in the Liquidity Agreement as follows
- "'System Rules" means the Cheque & Credit Clearing Company System Rules, as amended from time to time '

4.2 Amendments to Clause 4.1

Clause 4.1 of the Liquidity Agreement shall be deleted and replaced with the following

4.1 Required Collateral

- (a) Each Chargor shall on the date of this Agreement (or on such later date as it accedes to this Agreement) enter into the Security Document specified by the Security Trustee, under which it shall prior to the earliest Start of Processing time on each Liquidity Day following its entry into the Security Document, deliver, or ensure that there is already delivered, to the Security Trustee Collateral with an aggregate Adjusted Market Value in Sterling at least equal to its Collateral Amount or if it is a Credit Rating Affected Member or a Stepped Collateral Member its Increased Collateral Amount in accordance with clause 4.4
- (b) On each of (A) the last Liquidity Day of each calendar month, (B) request by the relevant Chargor (to be made no more frequently than monthly), (C) such other dates as the Security Trustee may select and (D) on each Liquidity Day, with respect to a Credit Rating Affected Member subject to daily monitoring of its Largest Single Debit Amount by the System Operator, the Security Trustee shall determine whether
 - (i) the collateral securities delivered by each Chargor and recorded in its Securities Account meet the criteria set out in Schedule 3 and, if applicable Schedule 5
 - (ii) if the Chargor is a Credit Rating Affected Member or a Stepped Collateral Member, the collateral securities delivered by that Chargor and recorded in its Securities Account include those which comply with the eligibility criteria set out in Schedule 3 and which have an aggregate Adjusted Market Value of not less than the amount by which its Increased Collateral Amount exceeds its Collateral Amount.
 - (iii) the aggregate Adjusted Market Value of the Collateral provided by each Chargor is not less than its Collateral Amount or, if it is a Credit Rating Affected Member or a Stepped Collateral Member, its Increased Collateral Amount; and

(iv) any Chargor has a Return Amount,

provided always that the Security Trustee shall only be obliged to use its reasonable endeavours to determine whether Non-Asset Backed Securities delivered by a Chargor are not issued by that Chargor or a member of that Chargor's Group

- (c) If the Security Trustee determines that any of paragraph (b)(i), (ii) or (iii) is not complied with, the Security Trustee shall immediately give written notice to that Chargor and the C&C System Operator identifying the relevant collateral security which does not meet those criteria or the shortfall in the aggregate Adjusted Market Value of the Collateral (as applicable)
- (d) If a Chargor receives a notice from the Security Trustee in accordance with clause 4.1(c), that Chargor shall within one Liquidity Day of receiving such notice, deliver Collateral which meets the criteria set out in Schedule 3 and/or Schedule 5 and/or which remedies the shortfall in the aggregate Adjusted Market Value of the Collateral (as applicable)
- (e) If a Chargor does not comply with its obligations under clause 4.1(d) the Security Trustee shall promptly notify the other Parties accordingly

4.3 New Clause 4.4

A new clause 4.4 shall be inserted in the Liquidity Agreement as follows

4.4 Additional Collateral to be provided by Credit Rating Affected Member or Stepped Collateral Member

- (a) Each Credit Rating Affected Member and each Stepped Collateral Member shall, by no later than the Increased Collateral Amount Delivery Date, deliver to the Security Trustee additional Collateral so that
 - (i) the aggregate Adjusted Market Value of all the Collateral provided by that Credit Rating Affected Member or Stepped Collateral Member and recorded in its Securities Account at that time, including the Additional Collateral, is at least equal to the amount of the Increased Collateral Amount in respect of that Credit Rating Affected Member or Stepped Collateral Member; and
 - (ii) the Collateral provided by the Credit Rating Affected Member or Stepped Collateral Member must include collateral securities which comply with the eligibility criteria in Schedule 5 and which have an aggregate Adjusted Market Value of not less than the amount by which its Increased Collateral Amount exceeds its Collateral Amount
- (b) Clauses 7.1 (LSDA Review) and 7.2 (Material Event) of this Agreement and the formulae set out in Schedule 4 of this Agreement shall not apply to Additional Collateral.

4.4 New Clause 7.1(e)

A new clause 7.1(e) shall be inserted in the Liquidity Agreement as follows

- “(e) Promptly following the end of each Liquidity Day, the C&C System Operator shall, with respect to each Credit Rating Affected Member who is expressed to be subject to

daily monitoring of its Largest Single Debit Amount by the System Operator under the System Rules, determine such Credit Rating Affected Member's Largest Single Debit Amount in respect of the immediately preceding period of twelve months and notify such Credit Rating Affected Member and the Security Trustee if the Largest Single Debit Amount so determined results in a change to the Increased Collateral Amount applicable to that Credit Rating Affected Member "

4.5 Amended Clause 19.4

Clause 19 4(e) shall be amended by inserting "(save to the extent that the security is over Collateral that meets the criteria specified in Schedule 5, in which case it can be enforced at any time on or after the day on which the relevant shortfall arose)" after the words "or Non-Paying Liquidity Member Shortfall arose"

4 6 New Schedule 5

A new Schedule 5 shall be inserted in the Liquidity Agreement as follows

"SCHEDULE 5

ADDITIONAL COLLATERAL

Sterling-denominated British Government Securities, Bank of England Sterling Bills, Sterling Treasury Bills."

4 7 New Schedule 6

A new Schedule 6 shall be inserted in the Liquidity Agreement in the form as set out in Annex 1 to this Deed

5. AMENDMENTS TO THE CHARGE

5.1 Amendment to interpretation

A new clause 1 2(i) shall be inserted in the Charge as follows

"(i) In this Deed, a reference to a document is a reference to that document as amended, supplement or restated from time to time "

5.2 New definition of Additional Collateral

A new definition of " Additional Collateral" shall be inserted in the Charge as follows

" "Additional Collateral" has the meaning given to that term in the Liquidity Agreement "

5.3 Amendment to definition of Collateral

The definition of " Collateral" in the Charge shall be deleted and replaced with the following

" Collateral" means, with respect to a Chargor the collateral securities

(a) which meet the criteria specified in Schedule 3 (together with any Dividends with respect to those collateral securities) of the Liquidity Agreement, and

- (b) if those collateral securities are Non-Asset Backed Securities, they are not issued by that Chargor or a member of that Chargor's Group,

provided that, when used in relation to Collateral posted as Additional Collateral, "Collateral" means collateral securities which satisfy (a) and (b) above and meet the additional criteria specified in Schedule 5 of the Liquidity Agreement "

5.4 Amendment to references to Collateral Securities

All references to "Collateral Securities" in the Charge shall be replaced with references to "Collateral"

5.5 Amendment to Clause 5.5

Clause 5.5(b)(i) (Substitution of Collateral) of the Charge shall be deleted and replaced with the following

the Security Trustee determines (in its sole and absolute discretion) that on the Substitution Day and after delivery of the Returning Collateral and Substitution Collateral that each of clause 4.1(b)(i) (i) or (ii) of the Liquidity Agreement and, where applicable to that Chargor clause 4.4 of the Liquidity Agreement is and would be complied with that Substituting Chargor would not breach its obligations covenants and undertakings under clause 4.1(a) and (d) of the Liquidity Agreement and where applicable to that Chargor clause 4.4 of the Liquidity Agreement and does not result in the circumstances described in clause 4.2(a) of the Liquidity Agreement being present and"

5.6 Amendment to Clause 6.1

Clause 6.1 (Enforceable) of the Charge shall be amended by deleting the full stop at the end of clause 6.1(ii) and adding the words " save that the provisos in (i) and (ii) shall not apply in respect of Collateral that is provided as Additional Collateral in relation to that Chargor"

6 COUNTERPARTS

This Deed may be executed in any number of counterparts and this has the same effect as if the signatures on the counterparts were on a single copy of this Deed

7. JURISDICTION

7.1 Jurisdiction

The Parties agree that the courts of England shall have exclusive jurisdiction to settle any disputes arising out of or in connection with this Deed (including, without limitation any disputes arising out of or in connection with any non-contractual obligations) and the Parties accordingly submit to the exclusive jurisdiction of the English courts

7.2 Binding Forum

The Parties

- (a) waive objection to the English courts on grounds of inconvenient forum or otherwise as regards proceedings arising out of or in connection with this Deed, and

- (b) agree that a judgment or order of an English court in connection with this Deed is conclusive and binding on it and may be enforced against it in the courts of any other jurisdiction

8 GOVERNING LAW

This Deed and all rights and obligations (including, without limitation, any non-contractual obligations) arising under or in connection with this Deed are governed by English law

This Deed has been entered into as a deed on the date stated at the beginning of this Deed

SCHEDULE 1

MEMBERS

Member	System
The Governor and Company of the Bank of England	Cheque Member Credit Member
Bank of Scotland plc	Cheque Member, Credit Member
Barclays Bank PLC	Cheque Member, Credit Member
Clydesdale Bank PLC	Cheque Member Credit Member
HSBC Bank plc	Cheque Member, Credit Member
Lloyds TSB Bank plc	Cheque Member Credit Member
National Westminster Bank Plc	Cheque Member Credit Member
Nationwide Building Society	Cheque Member, Credit Member
Santander UK plc	Cheque Member Credit Member
The Co-operative Bank p.l.c.	Cheque Member Credit Member
The Royal Bank of Scotland plc	Cheque Member, Credit Member

SCHEDULE 2

ADDITIONAL RULES FOR CREDIT RATING AFFECTED MEMBERS AND STEPPED COLLATERAL MEMBERS

The Board of Directors of the C&C System Operator has by resolution dated 20th August 2013 amended Rule 2.1 of the System Rules by

- (1) deleting Rule 2.1(c) and replacing it with the following new Rule 2.1(c):

“(c) Where a Member has failed to meet the Eligibility Criterion specified in Rule 2.1(a)(vii), it shall immediately notify the System Operator. Upon receiving this notification or upon the System Operator becoming aware that the Member has failed to meet the Eligibility Criterion specified in Rule 2.1(a)(viii) (whichever is the earlier), the System Operator shall notify the Member that it has suspended the effect of that Member's exclusion from the System for a period of nine consecutive months after the date that the Member failed to meet the Eligibility Criterion specified in Rule 2.1(a)(viii) (the Minimum Credit Rating Suspension Period). Subject to Rule 2.1(d) and Rule 2.1(a)(viii) at the end of the Minimum Credit Rating Suspension Period, the relevant Member shall be excluded from the System with immediate effect. At all times during the Minimum Credit Rating Suspension Period, the Member must comply with Rule 2.1(a)(vii).”

- (2) inserting a new Rule 2.1(a)(xiii) as follows:

(xiii) despite Rule 2.1(a)(viii) a Member who does not have the Minimum Credit Rating but who satisfies all other eligibility criteria specified in this Rule 2.1(a) shall not be excluded from the System provided that: (i) such Member has signed a Credit Rating Affected Member Confirmation Letter within 10 Business Days of the System Operator becoming aware of, or having been notified that the Member has failed to meet the Eligibility Criterion specified in Rule 2.1(a)(viii) (whichever is the earlier), (ii) the System Operator has agreed to that Credit Rating Affected Member Confirmation Letter, and (iii) such Member complies with the Rules that are expressed to be applicable to a Credit Rating Affected Member at all times until such Member ceases to be a Credit Rating Affected Member (by regaining the Minimum Credit Rating and maintaining the Minimum Credit Rating continuously for a period of three consecutive months).”

- (3) inserting a new Rule 2.1(a)(xiv) as follows:

(xiv) A Credit Rating Affected Member shall comply with all terms of the Liquidity Agreement and Charge that are expressed to apply to Credit Rating Affected Members.”

- (1) inserting a new Rule 2.1(a)(vv) as follows:

(vv) For the purpose of these Rules

“Charge” has the meaning given to that term in the Liquidity Agreement

“Credit Rating Affected Member” means, at any time, a Member who does not have the Minimum Credit Rating or who has not had the Minimum Credit Rating continuously during the previous three consecutive months.

“Credit Rating Affected Member Confirmation Letter” has the meaning given to that term in the Liquidity Agreement

“Liquidity Agreement” means the Liquidity Funding and Collateralisation Agreement dated 14 June 2012 made between, amongst others, the System Operator and the Members, as supplemented, amended and restated from time to time

- (5) inserting a new Rule 2.1(a)(xvi) as follows

“(xvi) A Stepped Collateral Member shall deliver additional collateral securities to the Security Trustee to be subject to the Charge in accordance with the Liquidity Agreement in order to ensure that the total collateral provided by the Stepped Collateral Member is not less than the Increased Collateral Amount.”

- (6) inserting a new Rule 2.1(a)(xvii) as follows

“(xvii) A Credit Rating Affected Member shall deliver additional collateral securities to the Security Trustee to be subject to the Charge in accordance with the Liquidity Agreement in order to ensure that the total collateral provided by the Credit Rating Affected Member is not less than the Increased Collateral Amount applicable to that Credit Rating Affected Member.”

- (7) inserting a new Rule 2.1(a)(xviii) as follows:

“(xviii) For the purpose of these Rules

“Collateral Amount” has the meaning given to it in the Liquidity Agreement

“Increased Collateral Amount” means, in respect of a date and a Credit Rating Affected Member or a Stepped Collateral Member, an amount equal to the Collateral Amount applicable to that Member plus an additional amount equal to:

- (a) 10% where that Member's lowest long term credit rating during the three month period ending on that date was Baa1 from Moody's, BBB+ from S&P or BBB+ from Fitch,
- (b) 30% where that Member's lowest long term credit rating during the three month period ending on that date was Baa2 from Moody's, BBB from S&P or BBB from Fitch,
- (c) 50% where that Member's lowest long term credit rating during the three month period ending on that date was Baa3 from Moody's, BBB- from S&P or BBB- from Fitch,
- (d) 100% where that Member's lowest long-term credit rating during the three month period ending on that date was Ba1 from Moody's, BB+ from S&P or BB+ from Fitch,
- (e) 125% where that Member's lowest long term credit rating during the three month period ending on that date was lower than Baa1 from Moody's, BB+ from S&P, or BB+ from Fitch,

of that Member's Largest Single Debit Amount, where the period of calculation is the 12 months prior to such date "

"Largest Single Debit Amount" has the meaning given to it in the Liquidity Agreement

"Stepped Collateral Member" means, on any date, a Member whose lowest long term credit rating during that three month period ending on that date

- (a) was Baa1 from Moody's, BBB+ from S&P or BBB+ from Fitch,
- (b) was Baa2 from Moody's, BBB from S&P or BBB from Fitch, and
- (c) was Baa3 from Moody's, BBB- from S&P, or BBB- from Fitch."

(8) inserting a new Rule 2 1(e) as follows

- (e) Where a Member becomes a Stepped Collateral Member or a Credit Rating Affected Member or where the Increased Collateral Amount applicable to such Stepped Collateral Member or a Credit Rating Affected Member changes in accordance with the definition of Increased Collateral Amount, such Member shall immediately notify the System Operator and comply with Rules 2 1(a)(xvi) and (xvii) and all terms of the Liquidity Agreement and Charge that are expressed to apply to Stepped Collateral Members or Credit Rating Affected Members as applicable "

(9) inserting a new Rule 2 1(f) as follows

- (f) Where a Credit Rating Affected Member becomes subject to the Increased Collateral Amount specified in paragraph (e) of the definition of Increased Collateral Amount, such Credit Rating Affected Member shall be subject to daily monitoring of its Largest Single Debit Amount by the System Operator "

ANNEX 1

FORM OF CREDIT RATING AFFECTED MEMBER CONFIRMATION LETTER

CREDIT RATING AFFECTED MEMBER CONFIRMATION LETTER

To CHEQUE AND CREDIT CLEARING COMPANY LIMITED, whose registered office is at 2 Thomas More Square, London, E1W 1YN and whose registered number is 1962903 for itself and each of the other parties to the Liquidity Agreement (as defined below)

From [AFFECTED MEMBER]

THIS LETTER is made on [●] by [●] (the Credit Rating Affected Member) in relation to the Liquidity Funding and Collateralisation Agreement dated 14 June 2012 between the Cheque and Credit Clearing Company Limited, the Governor and Company of the Bank Of England the Cheque Members and the Credit Members (the Liquidity Agreement)

Terms defined in the Liquidity Agreement shall unless otherwise defined in this Letter, bear the same meanings when used in this Letter.

In consideration of the Credit Rating Affected Member being permitted to be or remain a Member the Credit Rating Affected Member confirms that with effect from the date of delivery of this duly executed Letter to the C&C System Operator until such time as the Credit Rating Affected Member ceases to be a Credit Rating Affected Member (by regaining the Minimum Credit Rating and maintaining the Minimum Credit Rating continuously for a period of three consecutive months) the Credit Rating Affected Member shall be bound by and shall comply with the System Rules and all provisions of the Liquidity Agreement that are expressed to be applicable to Credit Rating Affected Members (as amended from time to time)

This Letter and any non-contractual obligations arising out of or in connection with it are governed by English law

THIS LETTER has been entered into on the date stated above

SIGNED BY

[AFFECTED MEMBER]

ACCEPTED BY

CHEQUE AND CREDIT CLEARING
COMPANY LIMITED

By

By

Title

Title

Date

Date



SIGNATORIES TO DEED RELATING TO CREDIT RATING AFFECTED MEMBERS AND
STEPPED COLLATERAL MEMBERS

EXECUTED AS A DEED)
BANK OF SCOTLAND plc)
acting by its attorney)
MARK FISHER Mark Fisher)
in the presence of)
LAURA CHAFFE Director, Group Operations)
75 Gresham Street, London EC2V 7HN)

Attorney

Witness

EXECUTED as a deed by)
BANK OF SCOTLAND plc acting by)
and)
)

signature of

signature of

director

director/secretary

THE COMMON SEAL of)
BANK OF SCOTLAND plc)
was affixed to this deed in)
the presence of)
)

Common Seal

Signature of authorised person

Director

Signature of authorised person

Director/Secretary

EXECUTED AS A DEED by)
BARCLAYS BANK PLC)
acting by its attorney)
)
in the presence of)
)

Attorney

Witness

EXECUTED as a deed by BARCLAYS)
BANK PLC acting by)
)
and)

signature of

director

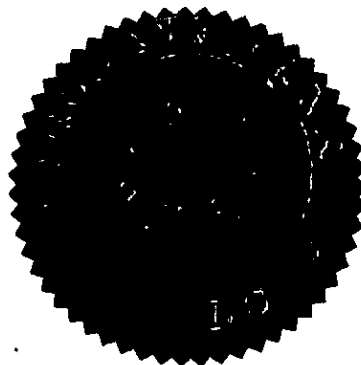
signature of

director/secretary

THE COMMON SEAL OF BARCLAYS)
BANK PLC)
was hereunto affixed in the Execution of this)
Deed in the presence of -)
)



Assistant Secretary
Authorised Sealing Officer



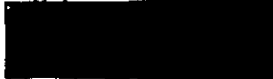
EXECUTED AS A DEED by)
CLYDESDALE BANK PLC)
acting by its attorney)
in the presence of)
)

Attorney

Witness

EXECUTED as a deed by)
CLYDESDALE BANK PLC)
acting by *two authorised*)
and *signatories*)
)

signature of



~~director~~ *Authorised Signatory*

signature of



~~director/secretary~~ *Authorised Signatory*

THE COMMON SEAL of CLYDESDALE)
BANK PLC)
was affixed to this deed in)
the presence of)

Common Seal

Signature of authorised person

Director

Signature of authorised person

Director/Secretary

EXECUTED AS A DEED by)
HSBC BANK plc)
acting by its attorney)

in the presence of)
)

Attorney

Witness

EXECUTED as a deed by)
HSBC BANK plc acting by)

and)
)

signature of

director

signature of

director/secretary

THE COMMON SEAL of)
HSBC BANK plc)
was affixed to this deed in)
the presence of)

Common Seal

Signature of authorised person

Director AUTHORIZED SIGNATORY

Signature of authorised person

Director/Secretary AUTHORIZED
COUNTERSIGNATORY

030571

EXECUTED AS A DEED by)
LLOYDS TSB BANK plc)
acting by its attorney **Mark Fisher**)
MARK FISHER Director, Group Operations)
in the presence of **25 Gresham Street, London EC2V 7HN**)
LAURA CHAFFE)

Attorney

Witness

~~EXECUTED as a deed by~~)
~~LLOYDS TSB BANK plc acting by~~)
~~and~~)
)

signature of

signature of

~~director~~

~~director/secretary~~

~~THE COMMON SEAL of~~)
~~LLOYDS TSB BANK plc~~)
~~was affixed to this deed in~~)
~~the presence of~~)

~~Common Seal~~

Signature of authorised person

Director

Signature of authorised person

~~Director/Secretary~~

EXECUTED AS A DEED by)
NATIONAL WESTMINSTER BANK plc)
acting by its attorney)
in the presence of)
. . .)

Attorney

Witness

EXECUTED as a deed by)
NATIONAL WESTMINSTER BANK plc)
acting by . . . and)
.)
.)

signature of

director

signature of

director/secretary

THE COMMON SEAL of)
NATIONAL WESTMINSTER BANK plc)
was affixed to this deed in)
the presence of)

Common Seal



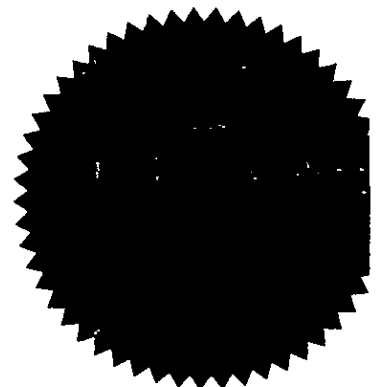




Signature of authorised person



Authorised Sealing Officer



EXECUTED AS A DEED by)
NATIONWIDE BUILDING SOCIETY)
acting by its attorney)
in the presence of)
)

Attorney

Witness

EXECUTED as a deed by)
NATIONWIDE BUILDING SOCIETY)
acting by and)
)
)

signature of

signature of

director

director/secretary

THE COMMON SEAL of)
NATIONWIDE BUILDING SOCIETY)
was hereto affixed in the presence of)
)

Authorised Signatory

Signature of authorised person

~~Director~~ Jason Lindsay Authorised officer

5903

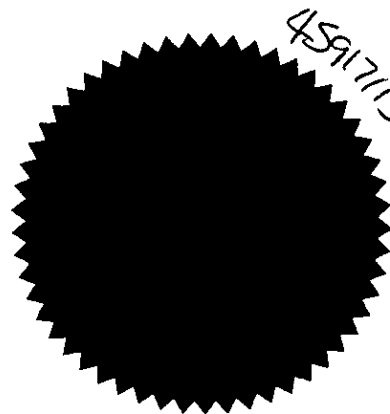
Signature of authorised person

~~Director/Secretary~~

THE COMMON SEAL of
SANTANDER UK plc
was affixed to this deed in
the presence of.

)
)
)
)

Common Seal



[Redacted signature]

Duly Authorised Sealing Officer

EXECUTED AS A DEED by)
THE CO-OPERATIVE BANK PLC)
acting by its attorney)
in the presence of)
)

Attorney

Witness

EXECUTED as a deed by)
THE CO-OPERATIVE BANK PLC)
acting by ..)
and)

signature of

director

signature of

director/secretary

THE COMMON SEAL of)
THE CO-OPERATIVE BANK PLC)
was affixed to this deed in)
the presence of)

Common Seal

Signature of authorised person

Director

Signature of authorised person

K. Arnold

Authorised Sealing Officer

Director/Secretary

TCB 2957



EXECUTED AS A DEED by)
THE ROYAL BANK OF SCOTLAND PLC)
acting by its attorney)
..)
in the presence of)
.)

.
Attorney
.

Witness

EXECUTED as a deed by)
THE ROYAL BANK OF SCOTLAND PLC)
acting by . . .)
and)
)

signature of

director

signature of

director/secretary

THE COMMON SEAL of)
THE ROYAL BANK OF SCOTLAND PLC)
was affixed to this deed in)
the presence of)

Common Seal

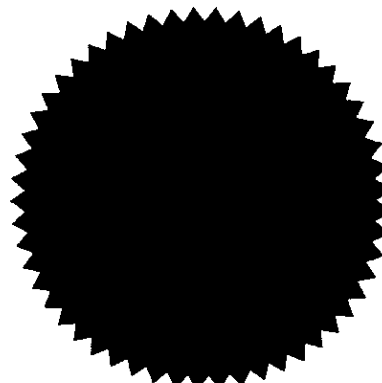
[Redacted]

[Redacted]

Signature of authorised person
[Redacted]

[Redacted]

Authorised Sealing Officer



60

THE GOVERNOR AND COMPANY OF THE BANK OF ENGLAND
in its capacity as Settlement Service Provider

By 

Title HEAD OF MARKET SERVICES DIVISION

THE GOVERNOR AND COMPANY OF THE BANK OF ENGLAND
in its capacity as Security Trustee

By 

Title HEAD OF MARKET SERVICES DIVISION

THE GOVERNOR AND COMPANY OF THE BANK OF ENGLAND
in its capacity as a Cheque and Credit Member

By 

Title HEAD OF CUSTOMER BANKING DIVISION.

THE CHEQUE AND CREDIT CLEARING COMPANY LIMITED

By

Title

© UK Payments Administration Limited 2013

THE GOVERNOR AND COMPANY OF THE BANK OF ENGLAND
in its capacity as Settlement Service Provider

By

Title

THE GOVERNOR AND COMPANY OF THE BANK OF ENGLAND
in its capacity as Security Trustee

By

Title

THE GOVERNOR AND COMPANY OF THE BANK OF ENGLAND
in its capacity as a Cheque and Credit Member

By

Title

THE CHEQUE AND CREDIT CLEARING COMPANY LIMITED

By

Title

© UK Payments Administration Limited 2013