

# MR01 £23 CASH

## Particulars of a charge



Companies House

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. This will be scanned and placed on the public record. **Do not send the original.**

THURSDAY



\*S5ZW11PC\*

SCT 09/02/2017  
COMPANIES HOUSE

#5

### 1 Company details

Company number S C 0 9 0 3 1 2  
Company name in full THE ROYAL BANK OF SCOTLAND PLC

1	1	4
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 2 6 0 1 2 0 1 7

### 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 N.V. BANK NEDERLANDSE GEMEENTEN

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 Brief description**

Please give a short description of any land, ship, aircraft or intellectual property registered or required to be registered in the UK subject to a charge (which is not a floating charge) or fixed security included in the instrument.

Brief description

None

Please submit only a short description. If there are a number of plots of land, aircraft and/or ships, you should simply describe some of them in the text field and add a statement along the lines of, "for more details please refer to the instrument".

Please limit the description to the available space.

**5 Other charge or fixed security**

Does the instrument include a charge (which is not a floating 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 company from creating further security that will rank equally with or ahead of the charge? Please tick the appropriate box.

☒ **Yes**☐ **No****8 Trustee statement<sup>1</sup>**

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.

☐

<sup>1</sup> This statement may be filed after the registration of the charge (use form MR06).

**9 Signature**

Please sign the form here.

Signature

Signature

☒

**John Reichardt**  
Member Executive Board

**Olivier Lape**  
Member Executive Board

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

# MRO1

## Particulars of a charge



### Presenter information

You do not have to give any contact information, but if you do, it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name Paul Murdoch

Company name The Royal Bank of Scotland plc

Address 250 Bishopsgate

LONDON

Post town

County/Region

Postcode E C 2 M 4 A A

Country UNITED KINGDOM

DX

Telephone 0207 085 3483



### 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: 90312

Charge code: SC09 0312 0114

The Registrar of Companies for Scotland hereby certifies that a charge dated 26th January 2017 and created by THE ROYAL BANK OF SCOTLAND PUBLIC LIMITED COMPANY was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 9th February 2017.

Given at Companies House, Edinburgh on 16th February 2017



**Companies House**



**THE OFFICIAL SEAL OF THE  
REGISTRAR OF COMPANIES**

**CERTIFIED A TRUE  
AND COMPLETE  
COPY OF ORIGINAL  
DATE: 1 FEBRUARY 2017**

*Paul Murdoch*

Paul Murdoch  
Authorised Signatory

## **EUROCLEAR SECURITY AGREEMENT**

**26 JANUARY 2017**

**Between**

**N.V. BANK NEDERLANDSE GEMEENTEN**

**and**

**THE ROYAL BANK OF SCOTLAND PLC**

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**THIS AGREEMENT** is made on 26 January 2017.

**BETWEEN:**

- (1) **N.V. BANK NEDERLANDSE GEMEENTEN**, a company organised under the laws of the Netherlands, with its registered office at Koninginnegracht 2, 2514 AA The Hague, the Netherlands (**BNG** and the **Security-taker**); and
- (2) **THE ROYAL BANK OF SCOTLAND PLC**, registered in Scotland No. 90312, registered office: 36 St Andrew Square, Edinburgh EH2 2YB (**RBS** and the **Security-provider**),

each a **Party** and together the **Parties**.

**BACKGROUND:**

- (A) On or about the date of this Agreement, the Parties have entered into a Global Master Securities Lending Agreement (the **Lending Agreement**).
- (B) The Parties wish to enter into this Agreement to secure the Security-provider's obligations under the Lending Agreement and this Agreement.
- (C) The Parties are both participants to the Euroclear System (as defined below).
- (D) The Security-provider has requested Euroclear (as defined below) to open a "Pledged Cash Account" in the Euroclear System in the name of Euroclear, to be operated in accordance with the Euroclear Agreements; and both Parties have requested Euroclear to open a "Pledged Securities Account" in the Euroclear System in the name of Euroclear, to be operated in accordance with the Euroclear Agreements (each, a **Secured Account**).
- (E) In connection with this Agreement and the Secured Accounts, and on or about the date of this Agreement, the Parties and Euroclear have entered into the Euroclear Agreements.
- (F) Any Collateral transferrable by the Security-provider under the Lending Agreement shall be transferred into the relevant Secured Account and be subject to the Security created pursuant to this Agreement.

**IT IS AGREED** as follows:

**1. INTERPRETATION**

**1.1 Definitions**

Capitalised terms used and not defined in this Agreement have the meaning ascribed to them (including by reference) in the Lending Agreement.

**Accounts** means the Pledged Securities Account and the Pledged Cash Account.

**Affiliates** means, in relation to any person, any entity controlled, directly or indirectly, by the person, any entity that controls, directly or indirectly, the person or any entity directly or indirectly under common control with the person. For this purpose, **control** of any entity or person means ownership of a majority of the voting power of the entity or person.

**Agreement** means this agreement.

**Appropriation Value** means, on any date, in relation to securities of any description (such securities, **Relevant Securities**):

- (a) subject to sub-paragraphs (b) and (c) below, the Market Value determined by Euroclear for such Relevant Securities on such date;
- (b) if either: (x) no Market Value as determined by Euroclear for the Relevant Securities is available on such date or (y) in the reasonable belief of the AV Determining Party acting in good faith, such Market Value for the Relevant Securities as determined by Euroclear is not commercially reasonable and, in either case, the AV Determining Party has received firm bid quotations in respect of such Relevant Securities from either:
  - (i) two or more market makers or regular dealers in the Appropriate Market of a commercially reasonable size but which in aggregate are for all such Relevant Securities; or
  - (ii) a market maker or regular dealer in the Appropriate Market for all such Relevant Securities,

the firm price quoted (or where more than one price is so quoted, the weighted average of the prices so quoted) for the purchase of the Relevant Securities which, to the extent expressed as a percentage, shall be multiplied against the face amount of the Relevant Securities such that the Appropriation Value is expressed as an absolute figure and which price shall take into account the value of any accrued but as yet unpaid distributions in respect of such Relevant Securities (such Appropriation Value under limb (b) as determined by the AV Determining Party acting in good faith and in a commercially reasonable manner including, but not limited to, in relation to obtaining such firm bid quotations); or

- (c) if either (x) no Market Value as determined by Euroclear for the Relevant Securities is available on such date or (y) in the reasonable belief of the AV Determining Party acting in good faith, such Market Value for the Relevant Securities as determined by Euroclear is not commercially reasonable and, in either case, acting in good faith, the AV Determining Party has either:
  - (i) endeavoured but been unable to obtain quotations in accordance with paragraph (b) above; or
  - (ii) determined that it would not be commercially reasonable to obtain such quotations, (including, without limitation, owing to circumstances affecting such Appropriate Market),

the fair market value of the Relevant Securities determined by the AV Determining Party, acting in good faith and in a commercially reasonable manner, by reference to any relevant information, including, without limitation, one or more of the following pricing sources and methods:

- (A) available prices for securities with similar maturities, terms and credit characteristics as the Relevant Securities supplied by one or more third parties;
- (B) if the Relevant Securities are listed or traded on a recognised exchange, the value at which they could have been sold on the exchange on the date of appropriation;
- (C) information consisting of relevant market data in the relevant market supplied by one or more third parties including, without limitation, relevant rates, prices, yields,



yield curves, volatilities, spreads, correlations or other relevant market data in the relevant market; and

- (D) information of the types described in paragraphs (A) to (B) above from internal sources (including any of the AV Determining Party's Affiliates) if that information is of the same type used by the AV Determining Party in the regular course of its business for the valuation of similar securities.

In this definition of Appropriation Value, the following terms will have the meanings set out below:

**Appropriate Market** means, in relation to securities of any description, the market which is the most appropriate market for securities of that description, as determined by the AV Determining Party.

**AV Determining Party** means:

- (i) for the purposes of determining the Appropriation Value under Section 7 (*Enforcement*) of this Agreement, the Security-taker; and
- (ii) for the purposes of determining the Appropriation Value in relation to the exercise of the Delivery in Lieu Right (if applicable), the Security-provider.

**Market Value** has the meaning ascribed to such term in the Lending Agreement.

**Belgian Civil Code** means the Belgian *Code Civil/Burgerlijk Wetboek*

**Belgian Companies Code** means the Belgian *Code des Sociétés/Wetboek van Vennootschappen* dated 7 May 1999.

**Cash** means any money (*espèces/contanten* as defined in the Financial Collateral Law) standing from time to time to the credit of the Pledged Cash Account.

**Charge** means a mortgage, charge, security, lien (including *privilege/voorrecht*) or other security interest or transfer by way of security arrangement securing any obligation of any person, a mandate to create the same or any other right arising by operation of law, agreement, or arrangement having a similar effect.

**Commercial Pledge Law** means the Belgian Law of 5 May 1872 on commercial pledges.

**Delivery in Lieu Right**, if applicable, has the meaning given to such term in Section 21 (*Other Provisions*).

**Enforcement Event** means:

- (a) any Event of Default in respect of the Security-provider (as defined in Section 10 (*Events of Default*) of the Lending Agreement, as amended by the schedule thereto);
- (b) any other default by the Security-provider under this Agreement or the Securities Lending Service Agreement (other than a default due to a disruption (of a technical or system-related nature) or an act or omission by Euroclear) which, if capable of remedy, is not remedied within 30 days of the Security-taker giving notice to the Security-provider and for which, upon expiry of such cure period as the case may be, the Security-taker serves a notice to the

Security-provider stating that this default shall be treated as an Enforcement Event under this Agreement.

**Euroclear** means Euroclear Bank SA/NV, a credit institution incorporated under the laws of Belgium, as operator of the Euroclear System, and which is recognised as a central securities depository for purposes of Royal Decree n° 62.

**Euroclear Collateral** means the Securities and the Cash, other property, the Euroclear Distributions and all proceeds of any such Securities, other property or Euroclear Distributions that have been transferred to or received into the relevant Account pursuant to the Lending Agreement or otherwise credited to the relevant Account by Euroclear and not transferred to the Security-provider pursuant to the provisions of the Lending Agreement or this Agreement, or otherwise debited from the relevant Account(s) by Euroclear.

**Euroclear Distributions** means all amounts received by Euroclear in respect of Euroclear Collateral, whether by way of interest, principal, premium, dividend, return of capital or otherwise, and whether in cash or in kind standing to the credit of the Accounts and all the right, title and interest of the Security-provider in and to such amounts.

**Euroclear System** means the clearance and settlement system for internationally traded securities operated by Euroclear, including all services offered by Euroclear in respect of securities held or recorded in any account as set forth in the Euroclear Terms and Conditions.

**Financial Collateral Law** means the Belgian Law of 15 December 2004 on financial collateral arrangements.

**Financial Supervision Law** means the Belgian Law of 2 August 2002 on the supervision on the financial sector and financial services.

**Notice of Exclusive Control** means, with respect to the Euroclear Agreements, a notice given by the Security-taker (as "Collateral Taker") to Euroclear under Section 9(a)(ii) of the SLSA Terms and Conditions in respect of a default of the Security-provider (as "Collateral Giver"), as referred to as a notice for the purposes of Section 6(a)(iii) and 12(d)(ii) of the SPPA Terms and Conditions;

**Pledged Cash Account** means the Cash Account (as defined in the Euroclear Terms and Conditions) in the Euroclear System in the name of Euroclear, acting in its own name but for the account of the Security-taker associated with the Pledged Securities Account (including any sub-account of such cash account).

**Pledged Securities Account** means the Securities Clearance Account (as defined in the Euroclear Terms and Conditions) in the Euroclear System in the name of Euroclear, acting in its own name but for the account of the Security-taker, opened pursuant to the Single Pledgor Pledged Account Agreement.

**Royal Decree n° 62** means the Belgian Royal Decree n° 62 of 10 November 1967 concerning the custody and clearing of fungible financial instruments (as coordinated).

**Secured Liabilities** means all present, future, actual and contingent obligations of the Security-provider (including moneys, debts and liabilities due, owing or incurred by the Security-provider to the Security-taker) under the Lending Agreement and this Agreement.

**Securities** means all securities standing from time to time to the credit of the Pledged Securities Account and all right, title and interest of the Security-provider relating to or arising from such securities.

**Security** means the first ranking security (*sûreté de premier rang/zekerheid in eerste rang*) created by or pursuant to this Agreement.

## 1.2 Construction

Unless a contrary indication appears (and without limiting the generality of the foregoing):

- (a) a reference to any **party** includes its successors in title, permitted assigns and permitted transferees;
- (b) **assets** includes present and future properties, revenues and rights of every description;
- (c) a **person** includes any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium or partnership (whether or not having separate legal personality);
- (d) a **regulation** includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or of any regulatory, self-regulatory or other authority or organisation;
- (e) references to a law, statute or statutory provision include:
  - (i) that law, statute or provision as from time to time modified, re-enacted or consolidated whether before or after the date of this Agreement;
  - (ii) any past law, statute or statutory provision (as from time to time modified, re-enacted or consolidated) which that law, statute or provision has directly or indirectly replaced; and
  - (iii) any subordinate legislation made from time to time under that law, statute or statutory provision which is in force at the date of this Agreement;
- (f) Section headings are for ease of reference only; and
- (g) any reference herein to the **Securities Lending Service Agreement** (as defined in the Lending Agreement) shall refer to the Securities Lending Service Agreement between Euroclear, the Security-provider in its capacity as 'Collateral Giver' and the Security-taker in its capacity as 'Collateral Taker' only;
- (h) any reference herein to the **Single Pledgor Pledged Account Agreement** (as defined in the Lending Agreement) shall refer to the Single Pledgor Pledged Account Agreement entered into between Euroclear, the Security-provider in its capacity as 'Pledgor' and the Security-taker in its capacity as 'Pledgee' only;
- (i) any reference herein to the Euroclear Agreements shall refer to those Euroclear Agreements specified in the Lending Agreement in respect of the Security-provider;
- (j) any reference to the Lending Agreement, the Securities Lending Service Agreement, the Single Pledgor Pledged Account Agreement, the Amendment Agreement or any other agreement or instrument (including this Agreement) is a reference to such agreement or instrument as the same may be amended, novated, varied, modified, suspended, assigned, supplemented, restated or replaced by any other agreement or instrument from time to time;

- (k) any reference to a provision of the Lending Agreement, Securities Lending Service Agreement or Amendment Agreement shall refer to such provision as construed pursuant to the governing law of such relevant agreement; and
- (l) a reference to **matching instructions** from the Security-provider and the Security-taker includes separate but matching instructions from each of the Security-provider and the Security-taker.

### 1.3 Construction

In case of any conflict between the provisions of this Agreement and the Lending Agreement or the Euroclear Agreements, the provisions of the Lending Agreement and the Euroclear Agreements (as applicable) shall prevail. In case of any conflict between Section 21 (*Other Provisions*) and the other provisions of this Agreement, Section 21 (*Other Provisions*) will prevail.

## 2. SECURITY

### 2.1 Security

As security for the discharge and payment of the Secured Liabilities, the Security-provider:

- (a) grants to the Security-taker a first-ranking commercial pledge (*gage de premier rang/pand in eerste rang*) over the Securities, in accordance with the Commercial Pledge Law, the Financial Collateral Law and Royal Decree n° 62 and/or, as the case may be, (i) the law of 2 January 1991 on the market of public debt securities and monetary policy instruments, (ii) the law of 22 July 1991 on treasury bonds and certificates of deposit or (iii) articles 460 and 468 to 475ter of the Belgian Companies Code and the royal decree of 12 January 2006 on companies' dematerialised shares; and
- (b) transfers title (*transfer de propriété à titre de garantie/eigendomsverdracht ten titel van zekerheid*) to the Cash by way of security to the Security-taker in accordance with the Financial Collateral Law as security for the due performance of the Secured Liabilities. The Parties acknowledge that notwithstanding the fact that the Pledged Cash Account will be identified as a pledged account, the security interest granted by the Security-provider to the Security-taker over the cash forming part of the Euroclear Collateral takes the form of a transfer of title for security purposes. For the avoidance of doubt, this Section 2.1(b) (*Security*) shall be construed as creating, in respect of the Cash, a security interest for the benefit of the Security-taker under the Financial Collateral Law.

### 2.2 Euroclear Distributions

The Security-provider agrees that the Euroclear Distributions that are not transferred to it pursuant to Section 6 (*Distributions and Corporate Actions*) of, and Section 13.3 (*Collateral*) of the schedule to, the Lending Agreement shall, as the case may be, be booked either (a) on the Pledged Securities Account and thus constitute Securities that fall within the scope of the commercial pledge referred to in Section 2.1(a) or (b) on the Pledged Cash Account and thus constitute Cash that falls within the scope of the transfer of title by way of security as referred to in Clause 2.1(b).

### 2.3 Ranking

The Security shall rank ahead of the right of preference of Euroclear as contemplated in Article 31 of the Financial Supervision Law, save with respect to the latter as expressly provided otherwise in the SPPA Terms and Conditions, in-particular Section 4 thereof.

#### 2.4 Special accounts

The Parties shall treat the Accounts for all purposes as special segregated accounts specifically opened for the purpose of holding the Euroclear Collateral in accordance with the Financial Collateral Law and each Party undertakes that it will not use the Accounts for any other purpose.

#### 2.5 Fungibility

The Security-provider and the Security-taker confirm and agree that the Securities shall be treated by each of them as fungible in accordance with Royal Decree n° 62 or, as the case may be, the law of 2 January 1991 on the market for public debt securities and monetary policy instruments, the law of 22 July 1991 on treasury bonds and certificates of deposit, Articles 468 et seq. of the Belgian Companies Code, or the royal decree of 12 January 2006 on companies' dematerialised shares.

#### 2.6 Perfection of the Security

- (a) The Security-provider and the Security-taker have appointed Euroclear as third party security holder of the Securities and the Cash, and Euroclear has accepted that appointment by executing (or otherwise entering into) the Single Pledgor Pledged Account Agreement.
- (b) The Security-provider shall give instructions to deliver Eligible Collateral to the Accounts in accordance with the provisions of the Lending Agreement, the Securities Lending Service Agreement and the Single Pledgor Pledged Account Agreement. The Parties will give the appropriate notices to Euroclear in accordance with those agreements.
- (c) The Parties acknowledge that for conflicts of law purposes, the Pledged Securities Account is the "relevant account" for the purposes of Article 17 of the Financial Collateral Law.

#### 2.7 Ownership of the Securities

The Security-provider shall at all times prior to enforcement of the Security pursuant to Section 7 (*Enforcement*) remain the legal owner of the Securities for all purposes (it being understood that any such rights shall be subject to the Security and the rights of the Security-taker under this Agreement).

### 3. SUBSTITUTION AND MARGIN ADJUSTMENTS

#### 3.1 Continuing of Security

The Parties agree that (a) a substitution of any part of the Euroclear Collateral under Section 13.3 (*Collateral*) of the schedule to the Lending Agreement or otherwise in accordance with the terms of the relevant Euroclear Agreements (a **Substitution**) or (b) a transfer of additional Euroclear Collateral under Paragraph 13.3 (*Collateral*) of the schedule to the Lending Agreement or otherwise in accordance with the terms of the relevant Euroclear Agreements (a **Delivery**) or (c) a return of Euroclear Collateral under Paragraph 13.3 (*Collateral*) of the schedule to the Lending Agreement or otherwise in accordance with the terms of the relevant Euroclear Agreements (a **Return**) will not affect the continuity of the Security.

#### 3.2 Release

The Parties acknowledge that (a) upon the occurrence of a Substitution or a Delivery, the substituting Euroclear Collateral or additional Euroclear Collateral transferred into the Accounts will be deemed to be pledged or transferred by way of security, as the case may be, under the same conditions as the existing Euroclear Collateral and (b) upon the occurrence of a Substitution or a Return, the Euroclear Collateral removed from the Accounts pursuant to such Substitution or Return

will be automatically and immediately released from the Security. For the avoidance of doubt, a Substitution will not constitute a release of the Security, except in respect of the Euroclear Collateral which is substituted and removed from the Accounts. All Euroclear Collateral from time to time standing to the credit of the Accounts will remain subject to the Security.

### **3.3 Equivalent Collateral**

The Parties agree and acknowledge that the new Euroclear Collateral transferred into the Accounts after a Substitution is equivalent to the Euroclear Collateral which is replaced, for purposes of the Financial Collateral Law.

### **3.4 Effect**

As of the date of:

- (a) a Substitution: all references to Euroclear Collateral in this Agreement will be deemed to include the substituting Euroclear Collateral and to exclude the Euroclear Collateral removed from the Accounts pursuant to such Substitution;
- (b) a Delivery: all references to Euroclear Collateral in this Agreement will be deemed to include the additional Euroclear Collateral; and
- (c) a Return: all references to the Euroclear Collateral will be deemed to exclude any Euroclear Collateral removed from the Accounts pursuant to such return.

## **4. RIGHTS ACCOMPANYING EUROCLEAR COLLATERAL**

At any time prior to an Enforcement Event, the Parties shall deal with any and all Euroclear Distributions and rights accompanying the Euroclear Collateral (including voting rights) in the manner set out in the Lending Agreement. Any transfer from the Accounts under the Lending Agreement, the relevant Euroclear Agreements or this Section 4 (*Rights accompanying Euroclear Collateral*) shall to the extent of such transfer constitute a release of the Security in respect of the assets so transferred.

## **5. REPRESENTATIONS**

### **5.1 No immunity**

The Security-provider represents and warrants to the Security-taker (which representation will be deemed to be repeated as of each date on which a Delivery Amount or Substitution is effected under and in accordance with the Lending Agreement and the Euroclear Agreements) that the execution and performance by the Security-provider of this Agreement constitute commercial acts performed for commercial purposes, and it will not be entitled to claim immunity from suit, execution, attachment or other legal process in any proceedings taken in relation to this Agreement.

### **5.2 Due Incorporation**

The Security-provider is a corporation duly incorporated and validly existing under the laws of its jurisdiction of incorporation and not in liquidation, with power to enter into this Agreement and to exercise its rights and perform its obligations hereunder and all corporate and other action required to authorise its execution and performance of this Agreement has been duly taken. It has all necessary licenses and authorisations to conduct its business as it currently does.

### 5.3 The Agreement

The Agreement constitutes legal, valid and binding obligations of the Security-provider, enforceable in accordance with its terms.

### 5.4 Collateral and Security

The Security-provider will be deemed to represent to the Security-taker on each date on which it transfers Euroclear Collateral that:

- (a) it has the power to grant the Security over any Eligible Collateral it transfers as the Security-provider to the relevant Secured Accounts in relation to such posting obligation under the relevant Lending Agreement and has taken all necessary actions to authorise the granting of that Security;
- (b) it is the beneficial owner of all Eligible Collateral (and rights thereto) it transfers as the Security-provider to the Secured Accounts pursuant to this Agreement, free and clear of any security interest, lien, encumbrance or other interest or restriction other than the Security granted under this Agreement (and other than any lien routinely imposed on all securities in a clearing system or securities settlement system in which any such Eligible Collateral may be held or any lien or security interest in favour of Euroclear arising in connection with expressly referred to in the relevant Euroclear Agreements) and such Eligible Collateral is fully paid and is not subject to any option to purchase or similar right;
- (c) upon the transfer of any Eligible Collateral by it as the Security-provider to the relevant Secured Accounts in relation to such posting under the terms of the Lending Agreement, the Security-taker will have a valid and perfected first priority security interest in such Eligible Collateral (provided that any central clearing corporation or any third-party financial intermediary or other entity not within the control of the Security-provider involved in the transfer of that Eligible Collateral gives the notices and takes the action required of it under applicable law for perfection of that interest) except to the extent subordinate to (a) any lien routinely imposed on all securities in a clearing system or securities settlement system in which any such Eligible Collateral may be held or (b) any lien or security interest in favour of Euroclear arising in connection with expressly referred to in the Euroclear Agreements; and
- (d) the performance by it as the Security-provider of its obligations under this Agreement 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 created under this Agreement (and other than any lien routinely imposed on all securities in a clearing system or securities settlement system in which any such Posted Collateral may be held or any lien or security interest in favour of Euroclear expressly referred to in the relevant Euroclear Agreements).

### 5.5 No Breach

The Security-provider's entry into and performance of this Agreement does not violate any provision of the constitutional documents of the Security-provider, any law to which the Security-provider is subject, or any contractual or other obligation binding upon the Security-provider.

### 5.6 Centre of Main Interest and Home Member State

For the purposes of EU Regulation No. 1346/2000 on Insolvency Proceedings (the **Regulation**) the Security-provider's centre of main interest (as that term is used in Article 3(1) of the Regulation) is situated in its jurisdiction of incorporation.

If the Security-provider is a credit institution, for the purposes of EU Directive No. 2001/24/EC on the reorganisation and winding up of credit institutions (the **Directive**) and any relevant national legislation implementing the Directive, the Security-provider's home Member State (as that term is used in the Directive) is situated in its jurisdiction of incorporation.

## **6. RESTRICTIONS AND UNDERTAKINGS**

The Security-provider hereby irrevocably and unconditionally undertakes, until full discharge of the Security in accordance with Section 12 (*Discharge of Security*), to comply with the following restrictions and undertakings:

### **6.1 Security**

The Security-provider shall not create or permit to subsist any Charge over any of the Euroclear Collateral, except as expressly permitted by or pursuant to the Lending Agreement, the relevant Euroclear Agreements or this Agreement.

### **6.2 No use**

The Security-provider will not have the right to sell, pledge, rehypothecate, charge, mortgage, assign, invest, use, declare a trust over, commingle or otherwise dispose of, secure or otherwise use in its business any Securities, except as expressly permitted by or pursuant to the Lending Agreement and/or this Agreement.

### **6.3 Exercise of rights**

Subject to the Single Pledgor Pledged Account Agreement and what is provided by and pursuant to the Lending Agreement, the Security-provider shall remain liable to (and the Security-taker shall use reasonable endeavours to assist the Security-provider, if so required by the Security-provider, to enable the Security-provider to) observe, perform and exercise all its (subscription and any other) obligations and rights in respect of the Securities.

### **6.4 No adverse action**

Subject to the rights of the Security-provider under this Agreement, the Security-provider shall not do, cause or permit to be done anything which:

- (a) will, or could be reasonably expected to, directly or indirectly adversely affect the effectiveness, ranking, validity, value or enforceability of the Security or the rights of the Security-taker under this Agreement; or
- (b) is in any material way inconsistent with the Security or this Agreement.

### **6.5 Attachments**

The Security-provider shall procure that no executory attachment (*saisie exécutoire/uitvoerend beslag*) is made on any of the Euroclear Collateral and shall procure that any conservatory attachment (*saisie conservatoire/bewarend beslag*) on any of the Euroclear Collateral is released within 30 days. The Security-provider shall inform the Security-taker without delay of any such attachment.



#### 6.6 No unilateral action

The Security-provider will observe its obligations in Section 13.8A (*Euroclear Agreements*) of the Lending Agreement in relation to notices to Euroclear and other unilateral action under the Euroclear Agreements.

### 7. ENFORCEMENT

At any time when an Enforcement Event in respect of the Security-provider has occurred and is continuing and provided that any of the Secured Liabilities is due and unpaid, the Security-taker may immediately at its sole discretion and without prior notice to the Security-provider (except as provided under Section 7(d) below):

- (a) enforce the pledge over the Securities pursuant to Article 8 §1 of the Financial Collateral Law, by selling the Securities (or any of them) by way of private sale, public auction or otherwise; and/or
- (b) appropriate (*s'approprier/toe-eigenen*) the Securities (or any of them) pursuant to and in accordance with Article 8, §2 of the Financial Collateral Law, and set-off the value thereof against the amount of the Secured Liabilities. The value of the Securities in the event of appropriation under this Section 7(b) (*Enforcement*) will be the Appropriation Value of such Securities as of, or as soon as reasonably practicable after, the date on which such Securities are appropriated. For the purposes of this Section 7(b) (*Enforcement*) the Security-taker shall be entitled 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; and/or
- (c) apply the Cash to the Secured Liabilities; and for these purposes the Security-taker shall be entitled to make any currency conversions or effect any transaction in currencies which it thinks fit and to do so on the date of enforcement and at such rates as it thinks proper without having to send a prior letter of formal notice (*mise en demeure/ingebrekestelling*) to the Security-provider; and/or
- (d) request authorisation from the competent court to enforce the pledge over Securities in accordance with Article 4 of the Commercial Pledge Law; and/or
- (e) exercise all rights and remedies it possesses under all applicable laws, and act generally in relation to the Euroclear Collateral in such manner as it shall reasonably determine, provided that no such action should be inconsistent with what may be required by the Single Pledgor Pledged Account Agreement and/or the Lending Agreement.

The Security-provider hereby authorises the Security-taker to do anything which the Security-provider is obliged to do (but has not done) under this Agreement in connection with the Euroclear Collateral. The Security-provider agrees to do any act necessary to give effect to this provision, including executing any document or agreement or granting any power of attorney.

### 8. ORDER OF DISTRIBUTIONS

#### 8.1 General

All amounts received or recovered by the Security-taker in the exercise of its rights under this Agreement shall, subject to the rights of any creditors having priority, be applied in or towards the payment of the Secured Liabilities, in the following order:

- (a) first, in or towards payment of any unpaid costs, fees and expenses of the Security-taker under the Lending Agreement and this Agreement (including but not limited to Section 14 (*Expenses*));
- (b) secondly, in or towards payment of any accrued interest due to the Security-taker under the Lending Agreement and this Agreement;
- (c) thirdly, in or towards payment of any principal due to the Security-taker under the Lending Agreement and this Agreement; and
- (d) fourthly, in or toward payment of any sum (other than as described in Section 8.1(a), (b) and (c) above) due to the Security-taker under the Lending Agreement and this Agreement.

## 8.2 Deficiencies and Excess Proceeds

- (a) The Security-provider will remain liable for all Secured Liabilities remaining unsatisfied after the exercise of rights and remedies by the Security-taker under Section 7 (*Enforcement*) of this Agreement.
- (b) Following the exercise of such rights and remedies, the Security-taker hereunder will transfer to the Security-provider any proceeds and Euroclear Collateral remaining after satisfaction in full of all payment and delivery Secured Liabilities of the Security-provider.

## 8.3 Waiver

To the extent applicable, the Security-provider expressly waives the benefit of Article 1253 and Article 1256 of the Belgian Civil Code.

## 9. LIABILITY OF THE SECURITY-TAKER

- (a) The Security-taker shall not be liable to the Security-provider or any other person for any properly incurred costs, losses, liabilities or expenses relating to the enforcement of the Security or for any act, default, omission or misconduct of the Security-taker or any of its officers, employees or agents in relation to the Euroclear Collateral or this Agreement except to the extent caused by its own gross negligence (*faute grave/grove fout*) or wilful misconduct (*dol/bedrog*).
- (b) The Security-taker shall not be under any obligation to take any steps to preserve any rights in the Euroclear Collateral against any other parties, but may do so in its sole discretion. All reasonable expenses incurred in connection therewith shall be for the account of the Security-provider.
- (c) The Security-taker shall not create or permit to subsist any Charge over any of the Euroclear Collateral, except as expressly permitted by or pursuant to the Lending Agreement, the relevant Euroclear Agreements or this Agreement, and will not have the right to sell, pledge, rehypothecate, charge, mortgage, assign, invest, use, declare a trust over, commingle or otherwise dispose of, secure or otherwise use in its business any Securities, except as expressly permitted by or pursuant to the Lending Agreement and/or this Agreement following the occurrence of an Enforcement Event.

## 10. PROTECTION OF THIRD PARTIES

No person dealing with the Security-taker shall be concerned to enquire:

- (a) whether the rights conferred by or pursuant to this Agreement are exercisable;
- (b) whether any consents, regulations, restrictions or directions relating to such rights have been obtained or complied with; or
- (c) otherwise as to the propriety or regularity of acts purporting or intended to be in exercise of any such rights.

## **11. SAVING PROVISIONS**

### **11.1 Continuing Security**

- (a) Subject to Sections 3.2 (*Release*), 4 (*Rights accompanying Euroclear*) and 12 (*Discharge of Security*), the Security is a continuing Security and will extend to the ultimate balance of the Secured Liabilities, regardless of any intermediate payment or discharge in whole or in part. It shall, subject to Section 12 (*Discharge of Security*), in particular not be discharged by reason of the circumstances that there is at any time no Secured Liability arising.
- (b) The Security will not be discharged by the entry of any Secured Liabilities into any current account, in which case the Security shall secure any provisional or final balance of such current account up to the amount of the Secured Liabilities designated as being subject to the current account relationship.
- (c) All rights of the Security-taker under this Agreement will remain in full force and effect notwithstanding any characterisation of any operation under the Lending Agreement (including without limitation close-out netting) as a novation (*novation/schuldvernieuwing*) of the Secured Liabilities

### **11.2 Reinstatement**

If any payment by the Security-provider or any discharge given by the Security-taker (whether in respect of any of the Secured Liabilities or any Security for the Secured Liabilities or otherwise) is avoided or reduced as a result of insolvency or any similar event:

- (a) the Security-provider shall remain liable to the Security-taker and the Security shall continue as if the payment, discharge, avoidance or reduction had not occurred; and
- (b) the Security-taker shall, to the extent permitted by applicable law, be entitled to recover the value or amount of that Security or payment from the Security-provider, as if the payment, discharge, avoidance or reduction had not occurred,

it being understood that the Security-provider shall promptly do whatever the Security-taker requires for such purpose, without prejudice to the Security-provider's other obligations under this Agreement.

### **11.3 Waiver of defences**

- (a) Neither the obligations of the Security-provider under this Agreement, nor the Security, will be affected by an act, omission, matter or thing which, but for this Section 11.3 (*Waiver of defences*), would reduce, release or prejudice any of its obligations under or pursuant to the Lending Agreement or the Security (without limitation and whether or not known to it or the Security-taker) including:

- (i) any time, waiver or consent granted to, or composition with, the Security-provider or any other person;
  - (ii) the release of the Security-provider or any other person under the terms of any composition or arrangement with any creditor of the Security-provider;
  - (iii) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce any rights against, or Charge over assets of, the Security-provider or any other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any Charge;
  - (iv) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of the Security-provider or any other person;
  - (v) any amendment (however fundamental) or replacement of the Lending Agreement or any other document or Charge;
  - (vi) any unenforceability, illegality or invalidity of any obligation of any person under the Lending Agreement or any other document or Charge; or
  - (vii) any insolvency or similar proceedings.
- (b) Each party waives to the fullest extent permitted by the relevant applicable law any right it may have to dispute the assumption that this Security Agreement qualifies as a "financial collateral arrangement" (as defined in the Financial Collateral Arrangements (No. 2) Regulations 2003).

#### **11.4 Immediate recourse**

The Security-provider waives any right it may have of first requiring the Security-taker to proceed against or enforce any other rights or Charge or claim payment from any person before claiming from the Security-provider under this Agreement.

#### **11.5 Additional Security**

The Security is in addition to and is not in any way prejudiced by any other guarantees or Charge now or subsequently held by the Security-taker.

#### **11.6 Transferability**

- (a) The Security-provider may not assign, transfer, novate or dispose of any of, or any interest in, its rights and/or obligations under this Agreement without the prior written consent of the Security-taker.
- (b) In case of assignment or transfer by the Security-taker of its rights under the Lending Agreement, the benefit of the Security and of this Agreement shall be automatically transferred to any transferee or assignee (whether by way of novation or otherwise), of (part or all of) the Secured Liabilities including for the purposes of Article 1278 of the Belgian Civil Code (to the extent applicable), and the Security-provider shall sign or cause to be signed all such further documents and take all such further action as may be reasonably required from time to time to ensure that such benefit be transferred to the transferee or assignee. Such transferee shall henceforth be regarded as a beneficiary for all purposes of this Agreement.

## **12. DISCHARGE OF SECURITY**

### **12.1 Release**

- (a) Unless released in accordance with Section 3 (*Substitution and Margin Adjustments*), Section 4 (*Rights accompanying Euroclear Collateral*) or Section 12.1(b) (*Release*), the Security created and perfected in accordance with this Agreement will continue and remain in effect until expressly released by the Security-taker. The Security-taker may at its sole discretion grant a full or partial release of the Security.
- (b) Subject to Section 12.2, the Euroclear Collateral shall be immediately and automatically released from the Security upon the occurrence of either of the following:
  - (i) the Security-provider having irrevocably discharged and satisfied in full all the Secured Liabilities at a time where there is no possibility of any further Secured Liabilities coming into existence; or
  - (ii) the Lending Agreement and the Single Pledgor Pledged Account Agreement having been terminated in accordance with its terms and the transfer of the Euroclear Collateral in accordance with its terms.
- (c) Further to any release in accordance with this Clause 12.1, the Security-taker shall procure (including by giving any necessary instructions to Euroclear) that any and all Euroclear Collateral required to be released from the Security shall be transferred back to the Security-provider as soon as reasonably practicable.

- 12.2 If the Security-taker considers that any amount paid or credited to it under the Lending Agreement or this Agreement is capable of being, or any such amount is, avoided, reduced or otherwise set aside on the winding-up of the Security-provider or any other person, or otherwise, that amount shall not be considered to have been paid for the purposes of determining whether all the Secured Liabilities have been irrevocably discharged and satisfied in full.

### **12.3 Security-provider Rights and Remedies**

If at any time a Security-provider Access Event has occurred and is continuing, then:

- (i) the Security-provider may exercise all rights and remedies available to a pledgor under applicable law with respect to the Euroclear Collateral; and
- (ii) the Security-taker will be obligated immediately to transfer all the Euroclear Collateral to the Security-provider.

## **13. RESTRICTION ON EXERCISE OF UNILATERAL RIGHTS UNDER EUROCLEAR AGREEMENTS**

The Security-taker covenants to the Security-provider that:

- (a) it will not send a Notice of Exclusive Control under the relevant Euroclear Agreements to Euroclear unless and until an Enforcement Event occurs and is continuing; and
- (b) it will deliver a copy of any Notice of Exclusive Control to the Security-provider when it is delivered to Euroclear.

#### **14. EXPENSES**

The Security-provider shall, within three Local Business Days of demand, pay to the Security-taker the amount of all reasonable costs, losses, liabilities and expenses (including legal fees and any fees charged by Euroclear) properly incurred by it or any of its delegates in relation to this Agreement (including the administration, protection, realisation, enforcement or preservation of any rights under or in connection with this Agreement, or any consideration by the Security-taker as to whether to realise or enforce the same, and/or any amendment, waiver, consent or release of or pursuant to in this Agreement).

#### **15. RIGHTS, WAIVERS AND DETERMINATIONS**

##### **15.1 Ambiguity**

Where there is any ambiguity or conflict between the rights conferred by law and those conferred by or pursuant to this Agreement, the terms of this Agreement shall prevail.

##### **15.2 Exercise of rights**

No failure to exercise, nor any delay in exercising, on the part of the Security-taker, any right or remedy under this Agreement shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in this Agreement are cumulative and not exclusive of any rights or remedies provided by law.

##### **15.3 Determinations**

Any determination by or certificate of the Security-taker under this Agreement is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

##### **15.4 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 this Agreement, to enable that party to exercise or enforce its rights under this Agreement with respect to the Euroclear Collateral or to effect or document a release of the Security over the Euroclear Collateral.

#### **16. NOTICES**

Any communication to be made under or in connection with this Agreement shall be made in accordance with the Lending Agreement.

#### **17. PARTIAL INVALIDITY**

If, at any time, any provision of this Agreement is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

**18. COUNTERPARTS**

This Agreement 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 Agreement.

**19. GOVERNING LAW**

This Agreement and any non-contractual obligations arising out of or in connection with this Agreement are governed by Belgian law.

**20. CHOICE OF FORUM**

The courts of Brussels, Belgium have exclusive jurisdiction to settle any dispute arising out of or in connection with this Agreement (including a dispute relating to the existence, validity, interpretation, performance, breach or termination of this Agreement or any non-contractual obligation arising out of or in connection with this Agreement).

**THIS AGREEMENT** has been duly executed on the date stated at the beginning.

For documentary duty purposes, this Agreement was executed outside of Belgium.

 **N.V. BANK NEDERLANDSE GEMEENTEN**

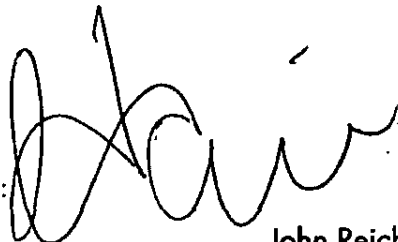
By:

Title:

  
**Olivier Labe**  
**Member Executive Board**

By:

Title:

  
**John Reichardt**  
**Member Executive Board**

**THE ROYAL BANK OF SCOTLAND PLC**

By:

Title:

  
**Paul Murdoch**  
**Authorised Signatory**



Date  
May 1<sup>st</sup> 2015

Two members of the Executive Board of N.V. Bank Nederlandse Gemeenten are, jointly acting, competent to represent the company.

Carel van Eijkelenburg  
President Executive Board

A stylized, handwritten signature in black ink, consisting of a series of loops and a long horizontal stroke.

Olivier J. Labe  
Member Executive Board

A handwritten signature in black ink, featuring a prominent 'O' and 'L' followed by a series of loops.

John C. Reichardt  
Member Executive Board

A handwritten signature in black ink, appearing to be 'J. Reichardt' with a stylized flourish.