

SCHEDULE

The Bradford & Bingley plc Compensation Scheme

PART 2

Determination of amount of compensation

Extinguishment of subscription rights

4.—(1) The amount of any compensation payable by the Treasury to persons whose subscription rights were extinguished by virtue of article 5 of the Transfer Order shall be determined in accordance with this paragraph.

(2) The amount of compensation payable to a person shall be an amount equal to the value immediately before the transfer time of that person's subscription rights.

(3) In this paragraph "subscription rights" means any right or other entitlement to receive shares in Bradford & Bingley (whether by subscription, conversion or otherwise) granted by—

- (a) a relevant undertaking; or
- (b) a person not within paragraph (a), where the right or entitlement is enjoyed by reason of or in connection with—
 - (i) any individual's office or employment with a relevant undertaking; or
 - (ii) the services provided by any individual to a relevant undertaking.

(4) In sub-paragraph (3) "relevant undertaking" means Bradford & Bingley or any of its UK subsidiary undertakings that is a body corporate incorporated, or a partnership established, under the law of any part of the United Kingdom.