

SCHEDULE

The Northern Rock plc Compensation Scheme

PART 2

Determination of amount of compensation

Modification of rights in relevant instruments

5.—(1) Subject to sub-paragraph (4), the amount of any compensation payable by the Treasury to persons whose rights were extinguished by virtue of the provision made in article 12 of the Transfer Order (referred to in this paragraph as “consequential rights”) shall be determined in accordance with this paragraph.

(2) The amount of compensation payable to a person shall be such compensation as may be just in respect of that person’s consequential rights.

(3) The determination of any compensation in respect of rights extinguished by virtue of article 12(1) or (2) of the Transfer Order shall take into account—

- (a) any diminution in the value of property; or
- (b) any increase in the burden of any liability,

which is attributable to the consequences specified in article 12(3) of the Transfer Order not arising.

(4) Compensation is payable in respect of a person’s consequential rights only if such compensation is required to be paid to comply with the Convention rights (within the meaning given by section 1 of the Human Rights Act 1998⁽¹⁾).

(1) 1998 c. 42.