

## SCHEDULE 1

Article 3

Business, &c. transferred from ACo to BCo

### PART 1

#### Interpretation

##### Interpretation

**1.—(1)** In this Schedule—

“CHAPS Clearing Company Limited” means CHAPS Clearing Company Limited, company registered number 1962902;

“customer accounts” means each bank account held immediately before the transfer time with ACo in the name of or on behalf of any person other than a relevant undertaking, including—

- (a) instant access accounts,
- (b) fixed term and notice savings accounts,
- (c) savings bonds,
- (d) individual savings accounts, and
- (e) commercial deposit accounts;

“Granite Finance Trustees Limited” means Granite Finance Trustees Limited, a company incorporated in Jersey with company number 79309;

“group bank accounts” means each bank account held immediately before the transfer time with ACo in the name of or on behalf of any of the following—

- (a) GPCH Limited, company registered number 4128437;
- (b) Granite Finance Funding Limited, a company incorporated in Jersey with company number 79308;
- (c) Granite Finance Funding 2 Limited, company registered number 05249387;
- (d) Granite Finance Trustees Limited;
- (e) Granite Master Issuer plc, company registered number 5250668;
- (f) Granite Mortgages 03-2 plc, company registered number 4684567;
- (g) Granite Mortgages 03-3 plc, company registered number 4823268;
- (h) Granite Mortgages 04-1 plc, company registered number 4959572;
- (i) Granite Mortgages 04-2 plc, company registered number 5057377;
- (j) Granite Mortgages 04-3 plc, company registered number 5168395;
- (k) Northern Rock Covered Bond LLP, company registered number OC306984;
- (l) Whinstone Capital Management Limited, a company incorporated in Jersey with company number 91429;
- (m) Whinstone 2 Capital Management Limited, a company incorporated in Jersey with company number 93397;

“intermediary arrangements” means—

- (a) each ACo arrangement specified in Part Q of Schedule 2 to the transfer administration agreement, and
- (b) any other ACo arrangement with any person (“P”) under which—

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- (i) ACo agrees to administer, market, sell or distribute P's products, or
- (ii) ACo agrees to market, sell or distribute its products to persons through, or in connection with, P;

“mortgage product switch offer” means an offer made by ACo in respect of which the following conditions are satisfied—

- (a) Condition 1 is that the offer is made to a person to whom ACo has made a mortgage loan (“the existing mortgage loan”) which has, at the date on which the offer is made, not been redeemed;
- (b) Condition 2 is that the offer is to amend the existing mortgage loan so that its terms relate to a mortgage product which is different to the mortgage product to which the terms of the existing mortgage loan relate;
- (c) Condition 3 is that the offer would, if accepted, not result in the security relating to the existing mortgage loan being released;

“Northern Rock (Guernsey) Limited” means Northern Rock (Guernsey) Limited, a company incorporated in Guernsey with company number 30224;

“operational arrangements” means each ACo arrangement which falls within any class described in Table 1 at the end of this paragraph;

“payment scheme” means any of the following—

- (a) the Bacs schemes;
- (b) the Faster Payments scheme, operated by the CHAPS Clearing Company Limited;
- (c) the LINK ATM scheme, operated by Link Interchange Network Limited, company registered number 03565766;
- (d) the VISA Card Scheme, operated by VISA Europe Limited.

“payment scheme arrangement” means any ACo arrangement in respect of any payment scheme;

“ported mortgage loan” means a mortgage loan made by ACo to a person (“P”) in respect of which the following conditions are satisfied—

- (a) Condition 1 is that the mortgage loan is entered into within 3 months of P redeeming a mortgage loan (“the original mortgage loan”) made by ACo to P in consequence of which all of the security relating to the original mortgage loan was released;
- (b) Condition 2 is that the mortgage product to which the terms of the mortgage loan relates is the same mortgage product to which the terms of the original mortgage loan related;

“relevant company limited by guarantee” means any of the following—

- (a) The Association of Insurance and Risk Managers, company registered number 01345758;
- (b) Bacs Payment Schemes Limited;
- (c) CIFAS, company registered number 2584687;
- (d) Funds Transfer Sharing Limited, company registered number 01850222;
- (e) N Hunter Limited, company registered number 4546325;
- (f) Payments Council Limited, company registered number 6124842;
- (g) The UK Cards Association Limited, company registered number 07066141;

“relevant company limited by shares” means any of the following—

- (a) CHAPS Clearing Company Limited;

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- (b) MBL Holdings Limited, company registered number 03887371;
- (c) UK Payments Administration Limited, company registered number 01935025;
- (d) VISA Europe Limited;
- (e) Visa UK Limited, company registered number 02744892;
- (f) Vocalink Limited, company registered number 6119048;

“retained arrangements” means—

- (a) each ACo arrangement specified in Part A of Schedule 3 to the transfer administration agreement, or
  - (b) any other ACo arrangement in respect of the provision of mortgage indemnity insurance;
- “transfer administration agreement” means the agreement made between ACo and BCo dated 7th December 2009 in connection with the provisions of this Order;

“trust accounts” means—

- (a) the account in the name of ACo with Barclays Bank plc, with sort code 20-59-42 and account number 60655996,
- (b) the account in the name of ACo with Lloyds TSB Bank plc, with sort code 30-00-02 and account number 00893639, and
- (c) any other bank account in the name of ACo held immediately before the transfer time where the sums standing to the credit of the account immediately before the transfer time are held by ACo on trust in accordance with the trust account contract;

“trust account contract” means the Collection Bank Agreement of 26th March 2001 between ACo, Granite Finance Trustees Limited and two collection banks (amongst others) (as amended and restated on 14th June 2004 and 19th January 2005), a copy of which is appended to the transfer administration agreement at Appendix A(1);

“VISA Europe Limited” means VISA Europe Limited, company registered number 5139966;

“wholesale deposits” means—

- (a) each deposit in respect of which the following conditions are satisfied—
  - (i) Condition 1 is that the deposit was made with ACo, acting through its treasury department;
  - (ii) Condition 2 is that the deposit was of at least £50,000;
  - (iii) Condition 3 is that the terms of the deposit require repayment at a specified time which is not more than five years after the date on which the deposit is made;
  - (iv) Condition 4 is that the terms of the deposit do not make provision for the transfer of the right to repayment;
  - (v) Condition 5 is that the terms of the deposit prevent partial withdrawals of, or additions to, the deposit;
- (b) each deposit in respect of which the following conditions are satisfied—
  - (i) Condition 1 is that the deposit was made with ACo, acting through its treasury department;
  - (ii) Condition 2 is that the deposit is evidenced by a certificate of deposit;
  - (iii) Condition 3 is that the amount payable is at least £50,000, exclusive of interest;

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(1) A copy of the Programme Master Definitions Schedule, dated 19th January 2005, the provisions of which are expressly incorporated by the trust account contract (as restated), is appended to the transfer administration agreement at Appendix B.

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(iv) Condition 4 is that the amount is payable at a specified time which is not more than five years after the date on which the deposit is made;

“wholesale funding arrangements” means each relevant arrangement specified or described in Part B of Schedule 3 to the transfer administration agreement.

(2) References to different types of mortgage loans and mortgage offers in Part 2 of this Schedule are to be construed in accordance with Table 2 at the end of this paragraph.

(3) References to property, rights or liabilities in Part 2 of this Schedule do not include foreign property, rights or liabilities, except in paragraph 17.

(4) In sub-paragraph (3), foreign property, rights or liabilities consist of—

- (a) property situated outside the United Kingdom, and
- (b) rights or liabilities under the law of a place outside the United Kingdom.

**Table 1**

**Classes of operational arrangements**

| <i>Class</i>   | <i>Arrangements within class</i>   |
|--|--|
| Class 1 (professional, &c. arrangements)   | Each arrangement specified in Part A of Schedule 2 to the transfer administration agreement.<br><br>Any other arrangement for the provision to ACo of any type of professional or consultancy services.  |
| Class 2 (credit services, &c. arrangements)                                      | Each arrangement specified in Part B of Schedule 2 to the transfer administration agreement.<br><br>Any other arrangement for the provision to ACo of any or any combination of the following—<br>(a) credit scoring services;<br>(b) credit reporting services;<br>(c) credit or income checking services;<br>(d) business forecasting services;<br>(e) reporting or benchmarking services;<br>(f) third party address or identity verification services;<br>(g) services relating to the underwriting of mortgages by ACo;<br>(h) other information or data services similar in kind to the services described in paragraphs (a) to (g). |
| Class 3 (services relating to financial crime arrangements)                      | Each arrangement specified in Part C of Schedule 2 to the transfer administration agreement.<br><br>Any other arrangement for the provision to ACo of any services relating to the detection, prevention or reporting of fraud, money-laundering or other financial crime.   |
| Class 4 (information technology and electronic communications, &c. arrangements) | Each arrangement specified in Part D of Schedule 2 to the transfer administration agreement.<br><br>Any other arrangement for the provision to ACo of any or any combination of the following—   |

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| <i>Class</i>   | <i>Arrangements within class</i>  |
|--|---|
|  | <ul style="list-style-type: none"> <li>(a) hardware, software, network or other information technology products;</li> <li>(b) hardware, software, network or other information technology services;</li> <li>(c) hardware, software, network or other information technology support or maintenance services;</li> <li>(d) hardware, software, network or other information technology security services;</li> <li>(e) software development or escrow services;</li> <li>(f) website and intranet services;</li> <li>(g) online or hardcopy subscription services;</li> <li>(h) telephony, audio-visual communications or other electronic communications services;</li> <li>(i) data retention services;</li> <li>(j) business continuity services.</li> </ul> |
| Class 5 (mortgage operations arrangements)                 | <p>Each arrangement specified in Part E of Schedule 2 to the transfer administration agreement.</p> <p>Any other arrangement for the provision to ACo of any or any combination of the following—</p> <ul style="list-style-type: none"> <li>(a) mortgage applications or servicing services;</li> <li>(b) valuation or surveying services in relation to mortgages;</li> <li>(c) mortgage processing, administration or analysis services;</li> <li>(d) services relating to the registration of security granted in favour of ACo.</li> </ul>   |
| Class 6 (facilities management and utilities arrangements) | <p>Each arrangement specified in Part F of Schedule 2 to the transfer administration agreement.</p> <p>Any other arrangement for the provision to ACo of any or any combination of the following—</p> <ul style="list-style-type: none"> <li>(a) facilities management or maintenance services;</li> <li>(b) vehicle management or maintenance services;</li> <li>(c) document storage, destruction or security services;</li> <li>(d) gas, electricity, water, or other utilities.</li> </ul>  |
| Class 7 (payment and account arrangements)                 | <p>Each payment scheme arrangement.</p> <p>Each arrangement specified in Part G of Schedule 2 to the transfer administration agreement.</p> <p>Any other arrangement for the provision to ACo of any or any combination of the following—</p> <ul style="list-style-type: none"> <li>(a) services relating to the receipt, transfer or clearing of funds;</li> <li>(b) savings account servicing, processing or administration services.</li> </ul>   |
| Class 8 (debt management, &c. arrangements)                | <p>Each arrangement specified in Part H of Schedule 2 to the transfer administration agreement.</p>   |

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| <i>Class</i>   | <i>Arrangements within class</i>   |
|--|--|
|  | <p>Any other arrangement for the provision to ACo of any or any combination of the following—</p> <ul style="list-style-type: none"> <li>(a) debt management, debt recovery or debt collection services;</li> <li>(b) services relating to the taking of property into possession, or relating to the sale or management of property which has been taken into possession;</li> <li>(c) receivership or other insolvency services in relation to customers.</li> </ul>   |
| Class 9 (advertising, brand, printing, stationery, &c. arrangements) | <p>Each arrangement specified in Part I of Schedule 2 to the transfer administration agreement.</p> <p>Any other arrangement for the provision to ACo of any or any combination of the following—</p> <ul style="list-style-type: none"> <li>(a) advertising in relation to the ACo brand;</li> <li>(b) office stationery;</li> <li>(c) office equipment, or services relating to its maintenance;</li> <li>(d) other office supplies;</li> <li>(e) printing or mail services</li> <li>(f) public relations, media monitoring or media analysis services.</li> </ul> <p>Any other arrangement for the provision by ACo of any sponsorship.</p> |
| Class 10 (cheque and cash collection, &c. arrangements)              | <p>Each arrangement specified in Part J of Schedule 2 to the transfer administration agreement.</p> <p>Any other arrangement for the provision to ACo of services relating to the transfer of cash or cheques to or from ACo branches.</p>   |
| Class 11 (treasury arrangements)                                     | <p>Each arrangement specified in Part K of Schedule 2 to the transfer administration agreement.</p> <p>Any other arrangement for the provision to ACo of financial instrument trading, clearing or brokerage services.</p>   |
| Class 12 (human resources arrangements)                              | <p>Each arrangement specified in Part L of Schedule 2 to the transfer administration agreement.</p> <p>Any other arrangement for the provision to ACo of any or any combination of the following—</p> <ul style="list-style-type: none"> <li>(a) payroll services;</li> <li>(b) services relating to the recruitment, employment or professional development of employees or agency workers.</li> </ul>  |
| Class 13 (internal audit arrangements)                               | <p>Each arrangement specified in Part M of Schedule 2 to the transfer administration agreement.</p>  |

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| <i>Class</i>  | <i>Arrangements within class</i>  |
|---|---|
|   | Any other arrangement for the provision to ACo of internal audit services.  |
| Class 14 (company secretary and reporting arrangements)                 | Each arrangement specified in Part N of Schedule 2 to the transfer administration agreement.<br><br>Any other arrangement for the provision to ACo of regulatory reporting or announcement services.  |
| Class 15 (confidentiality arrangements)                                 | Each arrangement specified in Part O of Schedule 2 to the transfer administration agreement.<br><br>Any other arrangement which solely provides for or creates obligations of confidentiality between ACo and a third party in respect of information disclosed between the parties.  |
| Class 16 (arrangements in respect of third party intellectual property) | Each arrangement specified in Part P of Schedule 2 to the transfer administration agreement.<br><br>Any other arrangement which solely provides for the provision of any or any combination of the following—<br>(a) the use by ACo of the intellectual property rights of a third party;<br>(b) the use by a third party of the intellectual property rights of ACo. |

**Table 2**

**Types of mortgage loan and mortgage offer**

| <i>Defined term</i>  | <i>Meaning</i>   |
|--|--|
| Type 1 mortgage loan (specified loans and connected loans) | Any mortgage loan made by ACo in respect of which the following conditions are satisfied—<br>(a) Condition 1 is that the mortgage loan is—<br>(i) specified by virtue of Part A of Schedule 1 to the transfer administration agreement (by reference to its mortgage account number) <sup>(2)</sup> ,<br>(ii) a mortgage loan which is secured on the same property as a mortgage loan which falls within sub-paragraph (i),<br>(iii) a further advance made in relation to a mortgage loan which falls within sub-paragraph (i) or sub-paragraph (ii), or<br>(iv) a ported mortgage loan where the original mortgage loan falls within sub-paragraph (i), (ii) or (iii);<br>(b) Condition 2 is that the mortgage loan is made before the transfer time. |

(2) Schedule 1 to the transfer administration agreement identifies mortgage loans and mortgage offers by reference to the Initial Mortgage File and the Initial Mortgage Pipeline File respectively. These are both read only CD-ROMs which identify (by reference to account numbers and application numbers) as at midnight on 30th November 2009 the mortgage loans and mortgage offers which are to be transferred to BCo (in the case of loans, unless redeemed before the transfer time).

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| <i>Defined term</i>  | <i>Meaning</i>  |
|--|---|
| Type 2 mortgage loan (loans made in consequence of specified offers made before the end of 30th November 2009)         | Any mortgage loan made by ACo between the end of 30th November 2009 and the transfer time in consequence of an offer of a mortgage loan specified by virtue of Part B of Schedule 1 to the transfer administration agreement (by reference to the mortgage offer application number relating to that offer).  |
| Type 3 mortgage loan (loans made in consequence of certain offers made after 30th November 2009)                       | Any mortgage loan made by ACo before the transfer time in consequence of an offer of a mortgage loan made after the end of 30th November 2009 where the offer was not—<br>(a) an offer to make a further advance in relation to a mortgage loan made by ACo; or<br>(b) an offer to make a ported mortgage loan.   |
| Type 4 mortgage loan (loans amended in consequence of certain mortgage product switch offers)                          | Any mortgage loan made by ACo which is amended—<br>(a) between the end of 30th November 2009 and the transfer time in consequence of a mortgage product switch offer which is specified by virtue of Part B of Schedule 1 to the transfer administration agreement (by reference to the mortgage offer application number relating to that offer); or<br>(b) prior to the transfer time in consequence of a mortgage product switch offer made after the end of 30th November 2009.   |
| Type 1 mortgage offer (specified offers made before the end of 30th November 2009)                                     | Any offer of a mortgage loan made by ACo which is specified by virtue of Part B of Schedule 1 to the transfer administration agreement (by reference to the mortgage application number relating to that offer).  |
| Type 2 mortgage offer (certain offers made after 30th November 2009)   | Any offer of a mortgage loan made by ACo in respect of which the following conditions are satisfied—<br>(a) Condition 1 is that the offer of a mortgage loan was made after the end of 30th November 2009;<br>(b) Condition 2 is that the offer of a mortgage loan is not an offer to make a further advance in relation to a mortgage loan made by ACo;<br>(c) Condition 3 is that the offer of a mortgage loan is not an offer to make a ported mortgage loan.  |
| Type 3 mortgage offer (certain offers made after 30 <sup>th</sup> November 2009 in connection with existing mortgages) | Any offer of a mortgage loan made by ACo in respect of which the following conditions are satisfied—<br>(a) Condition 1 is that the offer of a mortgage loan was made after the end of 30th November 2009;<br>(b) Condition 2 is that the offer is made to a person to whom ACo has made a mortgage loan (“the existing mortgage loan”) which—<br>(i) is a mortgage loan which falls within paragraph (a) of the definition of type 1 mortgage loan, and<br>(ii) has, at the date on which the offer is made, not been redeemed;<br>(c) Condition 3 is that the offer is of a further advance in relation to the existing mortgage loan or is an offer of a ported mortgage loan. |



| <i>Defined term</i>                  | <i>Meaning</i>  |
|--------------------------------------|---|
| Type 1 mortgage product switch offer | Any mortgage product switch offer made by ACo which is—<br>(a) a mortgage product switch offer specified by virtue of Part B of Schedule 1 to the transfer administration agreement (by reference to the mortgage offer application number relating to that offer); or<br>(b) a mortgage product switch offer made after the end of 30th November 2009. |

## PART 2

### Property, rights and liabilities to be transferred (other than excluded property, rights and liabilities)

2. All property, rights and liabilities of ACo in respect of the customer accounts.
3. All property, rights and liabilities of ACo in respect of the following—
  - (a) each Type 1 mortgage loan, together with its related security;
  - (b) each Type 2 mortgage loan, together with its related security;
  - (c) each Type 3 mortgage loan, together with its related security;
  - (d) each Type 4 mortgage loan, together with its related security.
4. All rights and liabilities of ACo in respect of the following—
  - (a) each Type 1 mortgage offer;
  - (b) each Type 2 mortgage offer;
  - (c) each Type 3 mortgage offer;
  - (d) each Type 1 mortgage product switch offer.
5. All property, rights and liabilities of ACo in respect of the trust accounts.
6. All property, rights and liabilities of ACo in respect of the operational arrangements.
7. All property, rights and liabilities of ACo in respect of the intermediary arrangements.
8. All property, rights and liabilities of ACo in respect of the bank accounts specified in Part E of Schedule 1 to the transfer administration agreement.
9. All property, rights and liabilities of ACo in respect of the financial instruments specified in Part F of Schedule 1 to the transfer administration agreement.
10. All property, rights and liabilities of ACo—
  - (a) in respect of the shares of each relevant company limited by shares;
  - (b) in respect of ACo's membership of each relevant company limited by guarantee.
11. All property, rights and liabilities of ACo in respect of the freehold and leasehold real property of ACo specified in Part C of Schedule 1 to the transfer administration agreement.
12. All property, rights and liabilities of ACo in respect of the heritable property owned or held on lease by ACo specified in Part D of Schedule 1 to the transfer administration agreement.
13. All personal or moveable property of ACo other than—
  - (a) any business records which do not relate to the property, rights or liabilities transferred to BCo by this Order;

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- (b) any records which are required by any enactment or accounting practice to be retained by ACo.
- 14. All property and rights in—
  - (a) the ACo brand, and
  - (b) any other intellectual property rights of ACo in respect of the property, rights or liabilities transferred by this Order.
- 15. The goodwill of ACo in the businesses transferred to BCo by this Order.
- 16. All rights and liabilities of ACo in respect of the undertaking given by ACo on 1st October 1997 to discharge the liabilities of Northern Rock (Guernsey) Limited.
- 17. All property, rights and liabilities of ACo in respect of the Irish branch.
- 18. All property, rights and liabilities of ACo in respect of those sterling, US dollar and Euro call accounts representing the amounts outstanding on the intercompany account between Northern Rock (Guernsey) Limited and ACo.
- 19. All property, rights and liabilities of ACo in respect of the sterling call account representing the amounts outstanding on the intercompany account between ACo and the Northern Rock Foundation, registered charity number 1063906.
- 20. All property, rights and liabilities of ACo in respect of the wholesale deposits.

### PART 3

#### Excluded property, rights and liabilities

- 21. All property, rights and liabilities of ACo in respect of the wholesale funding arrangements.
- 22. All property, rights and liabilities of ACo in respect of the group bank accounts.
- 23. All property, rights and liabilities of ACo in respect of the retained arrangements.
- 24. All property, rights and liabilities of ACo in respect of the trust account contract.
- 25. All property, rights and liabilities of ACo in respect of any amounts outstanding on any intercompany account between ACo and any group undertaking of ACo (other than Northern Rock (Guernsey) Limited) as at the transfer time.
- 26. All property, rights and liabilities in respect of the leasehold property of ACo in respect of the Irish branch.

### PART 4

#### Further provisions

##### **Trust accounts, &c.**

27.—(1) Paragraph (3) makes provision for how the trust account contract trust property is to be held as from the transfer time.

(2) In paragraph (1), “the trust account contract trust property” means the Total Property (within the meaning of the trust account contract), which is held by ACo on the trusts constituted by the trust account contract.

(3) The trust account contract trust property is to be held by BCo for itself absolutely.

(4) In connection with and in consequence of the transfer and sub-paragraphs (1) and (3), the property ACo is to be treated, as from immediately after the transfer time, as holding on trust under the trusts constituted by the trust account contract is—

- (a) ACo’s beneficial interest in the trust constituted by clause 9.1 of the transfer administration agreement<sup>(3)</sup> (which is described in that clause as “the Trust Account ACo Beneficial Share”), and
- (b) all sums from time to time standing to the credit of any bank account in the name of ACo which is used for the purpose of collecting, directly or indirectly—
  - (i) monies due in respect of mortgage loans which were made by ACo but which have been beneficially assigned to Granite Finance Trustees Limited, or
  - (ii) realisations from security related to mortgage loans which were made by ACo but which have been beneficially assigned to Granite Finance Trustees Limited.

(5) In connection with and in consequence of the transfer and sub-paragraphs (1), (3) and (4), any interest which was derived from ACo’s beneficial interest in the trust account contract trust property immediately before the transfer time is, as from immediately after the transfer time, to be treated as derived from the property ACo is to be treated as holding on trust under the trusts constituted by the trust account contract by virtue of sub-paragraph (4).

### **Membership of companies**

**28.**—(1) BCo is entitled as from the transfer time to all the rights, benefits and privileges of a member of each relevant company limited by shares and relevant company limited by guarantee.

(2) BCo enjoys the entitlement conferred by sub-paragraph (1) whether or not it is entered in the registers of members of the companies, notwithstanding any provision of the articles of association of the companies or of the 2006 Act, the Companies Act 1985<sup>(4)</sup>, any other enactment or any rule of law.

(3) In relation to each relevant company limited by shares, section 776 of the 2006 Act (duty of company as to issue of certificates etc. on transfer) has effect with the modifications specified in paragraph (4).

(4) The transfer is to be treated as—

- (a) a transfer under subsection (2)(a), and
- (b) lodged with the relevant company limited by shares at the transfer time.

(5) The following provisions of the 2006 Act are disapplied in relation to the transfer of shares in each relevant company limited by shares—

- (a) section 776(3) and (4) (qualifications as to duty to issue certificates);
- (b) section 777 (issue of certificates etc.: cases within the Stock Transfer Act 1982);
- (c) section 778 (issue of certificates etc.: allotment or transfer to a financial institution).

(6) BCo is entitled to be registered in the register of members of each relevant company limited by guarantee as from the transfer time, notwithstanding any provision of the company’s articles of association.

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(3) Clause 9.1 of the transfer administration agreement provides that, with effect from immediately after the transfer time, BCo declares that it shall hold as trustee all sums from time to time standing to the credit of the Trust Accounts (as defined in the transfer administration agreement) on trust absolutely for itself and ACo in the manner and proportions set out in the transfer administration agreement.

(4) 1985 c.6.

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## SCHEDULE 2

Article 8

## Modifications to the 2004 Regulations

| <i>Regulation and subject</i>  | <i>Modification or comment</i>  |
|--|---|
| 2 Interpretation   | After the definition of “liquidator” insert—<br>““Northern Rock plc” means Northern Rock plc, company registered number 03273685;”.   |
| 9 Notification of relevant decision to the Authority   | After paragraph (4) insert—<br>“(4A) Immediately after the Northern Rock plc Transfer Order 2009 has been made, the Treasury must inform the Authority—<br>(a) that the Order has been made; and<br>(b) in general terms, of the practical effects that the Order may have.”.   |
| 10 Notification to EEA regulators  | After paragraph (1) insert—<br>“(1A) Where the Authority receives the notification made in accordance with regulation 9(4A), the Authority must as soon as is practicable inform the relevant person—<br>(a) that the Northern Rock plc Transfer Order 2009 has been made; and<br>(b) in general terms, of the possible effect that Order may have on the business of Northern Rock plc.”.  |
| 12 Publication of voluntary arrangement, administration order, winding-up order or scheme of arrangement | After Regulation 12 insert—<br><br><b>“Publication of the Northern Rock plc Transfer Order 2009</b><br><br><b>12A.—(1)</b> As soon as is reasonably practicable after the Northern Rock plc Transfer Order 2009 has been made, the Treasury must publish, or cause to be published, in the Official Journal of the European Union and in 2 national newspapers in each EEA State in which Northern Rock plc has a branch the following information—<br>(a) a summary of the terms of that Order;<br>(b) the statutory provisions in accordance with which that Order was made;<br>(c) the time frame for making an application for permission to challenge by way of judicial |

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| <i>Regulation and subject</i>  | <i>Modification or comment</i>  |
|--------------------------------|---|
|                                | <p>review the decision to make that Order; and</p> <p>(d) the address of the court competent to consider an application for permission to challenge that decision.</p> <p>(2) The information to be published in accordance with paragraph (1) shall be—</p> <p>(a) in the case of the Official Journal of the European Union, in the official language or languages of each EEA State in which Northern Rock plc has a branch;</p> <p>(b) in the case of the national newspapers of each EEA State in which Northern Rock plc has a branch, in the official language or languages of that EEA State.”.</p> |
| 19 Application of this Part    | <p>At the end of paragraph (1)(c), omit “or”.</p> <p>In paragraph (1)(d) after “2004” insert—</p> <p>“; or</p> <p>(e) where the Northern Rock plc Transfer Order 2009 has been made.”.</p>  |
| 21 Interpretation of this Part | <p>In paragraph (1)(b) for “or order” substitute “order or statutory instrument”.</p> <p>After paragraph (2) insert—</p> <p>“(2A) In this Part, references to the opening or adoption of a relevant reorganisation means, in the case of the Northern Rock plc Transfer Order 2009, the date at which the Order is made and references to the time of an opening must be construed accordingly”.</p>  |

SCHEDULE 3

Article 9

Deemed authorisation period: Part IV Permission

| <i>Regulated activity</i> | <i>Investment type</i> | <i>Customer type</i> | <i>Other limitations</i> |
|---------------------------|------------------------|----------------------|--------------------------|
| Accepting deposits        | Deposit                | All                  | None                     |

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| <i>Regulated activity</i>                        | <i>Investment type</i>  | <i>Customer type</i>  | <i>Other limitations</i>   |
|--|---|-----------------------|--|
| Agreeing to carry on specified kinds of activity |   |                       | For the purposes of this activity, “specified kinds of activity” means the other regulated activities referred to in this table  |
| Dealing in investments as agent                  | <ul style="list-style-type: none"> <li>(a) Contract for differences (excluding a spread bet and a rolling spot forex contract);</li> <li>(b) Option (excluding a commodity option and an option on a commodity future);</li> <li>(c) Certificate representing certain security;</li> <li>(d) Government and public security;</li> <li>(e) Instrument giving entitlements to investments;</li> <li>(f) Future (excluding a commodity future and a rolling spot forex contract);</li> <li>(g) Rolling spot forex contract;</li> <li>(h) Instrument creating or acknowledging indebtedness;</li> <li>(i) Right to or interest in investments (security);</li> <li>(j) Right to or interest in investments (contractually based investments)</li> </ul> | Eligible Counterparty | For the purposes of this activity, the permission to deal in the type of investment specified in (i) and (j) extends only to the types of investments specified in (a) to (h)                              |
| Dealing in investments as principal              | <ul style="list-style-type: none"> <li>(a) Contract for differences (excluding a spread bet and a rolling spot forex contract);</li> <li>(b) Option (excluding a commodity option and an option on a commodity future);</li> <li>(c) Future (excluding a commodity future and a rolling spot forex contract);</li> </ul>  | Eligible Counterparty | For the purposes of this activity, the permission is limited to BCo carrying on the activity in the manner specified in article 16(1) (a) or (b) of the Financial Services and Markets Act 2000 (Regulated |

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| <i>Regulated activity</i>  | <i>Investment type</i>  | <i>Customer type</i>              | <i>Other limitations</i>  |
|--|---|-----------------------------------|---|
|  | (d) Rolling spot forex contract;<br>(e) Right to or interest in investments (contractually based investments) |                                   | Activities) Order 2001(5).<br><br>For the purposes of this activity, the permission to deal in the type of investment specified in (e) extends only to the types of investments specified in (a) to (d) |
| Advising on investments (except on pension transfers and pension opt outs)   | Non-investment insurance contract   | Retail (non-investment insurance) | None  |
| Arranging deals in investments   | Non-investment insurance contract   | Retail (non-investment insurance) | None  |
| Assisting in the administration and performance of a contract of insurance   | Non-investment insurance contract   | Retail (non-investment insurance) | None  |
| Dealing in investments as agent  | Non-investment insurance contract   | Retail (non-investment insurance) | None  |
| Making arrangements with a view to transactions in investments               | Non-investment insurance contract   | Retail (non-investment insurance) | None  |
| Administering a regulated mortgage contract                                  | Regulated mortgage contract   | Customer                          | None  |
| Advising on regulated mortgage contracts                                     | Regulated mortgage contract   | Customer                          | None  |
| Arranging for a person to enter into or to vary regulated mortgage contracts | Regulated mortgage contract   | Customer                          | None  |
| Entering into a regulated mortgage contract as lender                        | Regulated mortgage contract   | Customer                          | None  |

(5) Amended by S.I. 2006/3384.

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| <i>Regulated activity</i>                                       | <i>Investment type</i>      | <i>Customer type</i> | <i>Other limitations</i> |
|---|-----------------------------|----------------------|--------------------------|
| Making arrangements with a view to regulated mortgage contracts | Regulated mortgage contract | Customer             | None                     |

#### SCHEDULE 4

Article 13

##### Relevant regulatory permissions

1. Accepting deposits.
2. Advising on investments.
3. Arranging deals in investments.
4. Assisting in the administration and performance of a contract of insurance.
5. Dealing in investments as agent.
6. Making arrangements with a view to transactions in investments.
7. Dealing in investments as principal.

#### SCHEDULE 5

Article 18

##### Shadow directorship, &c.

1. The following provisions of the 2006 Act—
  - (a) section 84 (criminal consequences of failure to make required disclosures);
  - (b) section 162 (register of directors);
  - (c) section 165 (register of directors' residential addresses);
  - (d) section 167 (duty to notify registrar of changes);
  - (e) sections 170 to 177 (general duties of directors);
  - (f) sections 182 to 186 (declaration of interest in existing transaction or arrangement) as applied to shadow directors by section 187;
  - (g) sections 188 and 189 (directors' long-term service contracts) as applied to shadow directors by section 223;
  - (h) sections 190 to 196 (substantial property transactions) as applied to shadow directors by section 223;
  - (i) sections 197 to 214 (loans etc. to directors) as applied to shadow directors by section 223;
  - (j) sections 215 to 222 (payments for loss of office) as applied to shadow directors by section 223;
  - (k) sections 227 to 229 (directors' service contracts) as applied to shadow directors by section 230;
  - (l) section 231 (contracts with sole member who is also a director);
  - (m) sections 260 to 269 (derivative claims in England and Wales or Northern Ireland and derivative proceedings in Scotland);



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- (n) section 275 (duty to keep register of secretaries);
  - (o) section 276 (duty to notify registrar of changes);
  - (p) sections 854 to 858 (annual return)(**6**);
  - (q) section 1255 (offences by bodies corporate, partnerships and unincorporated associations).
2. The following provisions of the Insolvency Act 1986(**7**)—
- (a) section 214 (wrongful trading);
  - (b) section 249 (“connected” with a company).
3. The following provisions of FSMA 2000—
- (a) section 96A (disclosure of information requirements)(**8**);
  - (b) section 96B (disclosure rules: persons responsible for compliance)(**9**).

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(6) Amended by [S.I. 2008/3000](#).

(7) [1986 c. 45](#).

(8) Inserted by [S.I. 2005/381](#).

(9) Inserted by [S.I. 2005/381](#) and amended by the 2006 Act, Schedule 15, paragraphs 1 and 7.