IN THE HIGH COURT OF JUSTICE
BUSINESS AND PROPERTY COURTS
OF ENGLAND AND WALES
COMPANIES COURT (ChD)

CR-2026-002324

IN THE MATTER OF

THE CO-OPERATIVE BANK PLC

and

IN THE MATTER OF

COVENTRY BUILDING SOCIETY

and

IN THE MATTER OF

PART VII OF THE FINANCIAL SERVICES AND MARKETS ACT 2000

SCHEME

for the transfer of the business of The Co-operative Bank PLC to Coventry Building Society pursuant to Part VII of the Financial Services and Markets Act 2000

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Contents

PART A: DEFINITIONS AND INTERPRETATION

1. DEFINITIONS AND INTERPRETATION

1.1 In this Scheme, unless the context otherwise requires, the following words and expressions shall bear the meanings set out below:

"**Access to Cash Agreements**" means the agreements entered into between Cash Access UK Limited, the Transferor and the other members of Cash Access UK Limited relating to (i) the governance, operations and funding of Cash Access UK Limited (including the new proposed governance and funding model) and the relationship between the members of Cash Access UK Limited; and (ii) the provision of services by Cash Access UK Limited;

"**Aggregate Balance**" means the aggregate balance of Qualifying Deposits (including any Deposits transferred pursuant to this Scheme) held by a Qualifying Deposit Customer, which exists immediately before the Relevant Date (or, if a withdrawal is made between the FSCS Commencement Date and the Relevant Date, on the date of the first withdrawal);

"**All Monies Rights**" means rights providing for a charge, debenture, mortgage (whether legal or equitable and whether registered or unregistered), standard security, bill of exchange, promissory note, guarantee, pledge (whether actual or constructive), hypothecation, assignment or assignation by way of security, indemnity, counterclaim, flawed asset arrangement, commitment or any other security given in respect of an agreement to secure, in addition, obligations arising under other agreements;

"**Ancillary Pension Contracts**" means all contracts, agreements and arrangements entered into by the Transferor in relation to the management and/or administration of any of the Transferor Pension Schemes, but excluding any Pension Participation Arrangement and any Pension Support Arrangement;

"**Applicable Law(s)**" means any applicable law, regulation, rule or ordinance or any direction, instruction, pronouncement, requirement, decision of, or contractual obligation owed to, an applicable Regulatory Authority (including any applicable anti-trust law);

"**Assets**" means any asset and property of every kind and description, wherever located, whether real, personal or mixed, tangible or intangible, that is owned, leased or licensed by the Transferor (and comprised within the Transferring Business), including all rights, benefits and powers of the Transferor under any Transferring Contract and all rights, including any right to repayment or recovery of Tax relating to the Transferring Business or to the transfer thereof, claims and powers of the Transferor against any third party and including (for the avoidance of doubt) any such asset or property to which legal title is held by another party, provided that the Transferor has an interest in such asset or property, including beneficial ownership of such asset or property;

"**Associate Companies**" means the bodies corporate listed in Schedule 4 (*Associate Companies*);

"**Assumed Liabilities**" means, in relation to the Transferor, all Liabilities of that Transferor whatsoever and wheresoever situated, comprised in or attributable to the Transferring Business immediately prior to the Effective Date (other than in the case of Sanctioned Liabilities, in respect of which the Relevant Date shall apply), including (without prejudice to the generality of the foregoing) all Liabilities arising under, or in relation to, the Customer Agreements and Customer Accounts but excluding the Excluded Liabilities;

"**Bacs**" means the Bacs system for the automated clearing and settlement of payments;

"**Bank of England**" means the Governor and Company of the Bank of England, of Threadneedle Street, London EC2R 8AH;

"**Bank of England Accounts and Facilities**" means any accounts (including any collateral accounts, settlement accounts and margin accounts) held by the Transferor at the Bank of England and arrangements, participation and/or drawings under any of the SMF facilities or TFSME entered into or owed by the Transferor at the Bank of England (including pre-positioned loan collateral pools) immediately prior to the Effective Date and such accounts, arrangements and facilities to be listed in the BoE Side Letter;

"**Bank of England Documentation**" means any contract, commitment, engagement, undertaking or other agreement entered into between the Transferor and the Bank of England (or its nominees or Bank of England Asset Purchase Facility Fund Limited) in respect of the Bank of England Accounts and Facilities;

"**BoE Side Letter**" means the side letter to the Bank of England Documentation entered into between the Transferor, the Transferee and the Bank of England which shall take effect at the Effective Date;

"**Borrowing Member**" means any individual whom the Transferee has accepted as such in accordance with the Transferee Rules;

"**BSA 1986**" means the Building Societies Act 1986;

"**Business Assets**" means all Assets of the Transferor whatsoever and wheresoever situated, comprised in or attributable to the Transferring Business immediately prior to the Effective Date, including (without prejudice to the generality of the foregoing):

(A) the Transferring Contracts;

(B) the rights, interests, benefits and powers of the Transferor arising under, or by virtue of, the Customer Agreements and the Customer Accounts;

(C) the Business Records and Goodwill;

(D) all rights in and claims and benefits arising from or associated with the Business Data;

(E) the rights and benefits arising from the Marketing Consents received by the Transferor or any member of the Transferor's Group (to the extent that the Transferor has the benefit of such Marketing Consents);

(F) the Transferring Real Properties;

(G) the Transferring Intellectual Property;

(H) the Transferring Personal Data;

(I) all the issued shares or other interests or ownership rights of the Transferor in (1) Zellar Holdings Limited (incorporated in England with its registered office at 300 Pavilion Drive, Northampton, England, NN4 7YE, with registered number 12582625) and (2) Bankifi Technology Limited (incorporated in England with its registered office at C/O Alexander & Co Centurion House, 129 Deansgate, Manchester, England, M3 3WR, with registered number 10696778);

(J) the rights, interests, benefits and title in respect of the Transferring BoE Arrangements;

(K) the Transferring Payment Schemes and Related Arrangements;

(L) all the issued shares or other interests or ownership rights in the Transferring Subsidiaries;

(M) all the issued shares or other interests or ownership rights of the Transferor in the Associate Companies;

(N) the Open Banking Certificates, including any rights and benefits arising thereunder;

(O) the Open Banking Consents, including any rights and benefits arising thereunder;

(P) the Open Banking Data, including any rights and benefits arising thereunder;

(Q) the benefits in respect of any levy paid by the Transferor prior to the Effective Date except to the extent that, notwithstanding the effect of this Scheme, the Transferor remains liable for such levy (or part thereof) following the Effective Date;

(R) all rights and claims (whether present or future, actual or contingent) against any third party in relation to the Transferring Business or arising as a result of the Transferor having carried on any part of the Transferring Business; and

(S) such other assets that the Transferor and the Transferee agree in writing prior to the Effective Date are to be Business Assets for the purposes of this Scheme,

but excluding the Excluded Assets;

"**Business Data**" means:

(A) all Data held or used by the Transferor; and

(B) all Data held or used by a member of the Transferor's Group relating to the Business Assets, the Transferring Business and the Assumed Liabilities,

but excluding all Data relating to the Excluded Business;

"**Business Records**" means all records containing information and records of either of the Transferring Business or the Transferring Assets (or both), including, without limitation, Know how, all such books, documents and other records and other accounting, financial, marketing, sales, management and technical information, correspondence and literature, and that have been kept by the Transferor in relation to the Transferring Business, and a copy of all records which do not solely contain such information, but excluding all books, files, registers, documents, correspondence, papers and other records that are required by any applicable legal or regulatory requirement to be kept by the Transferor and, notwithstanding this Scheme, retained in its possession;

“**Cash ISA Transfer Service**” means the service operated by Pay.UK Limited which supports the transfer of Cash ISAs between Cash ISA providers;

"**CASS**" means the Current Account Switching Service operated by Pay.UK Limited;

"**Charitable Assignment Agreement**" means the agreement to assign relevant conversion benefits to the Foundation required to be executed by all new shareholding members of the

Transferee (subject to certain exceptions), in the form contained in Schedule 1 (*Charitable Assignment Agreement*);

"**CHAPS**" means the UK's electronic payment system operated by the Bank of England for high value payments;

"**Clover Contract**" means the referral agreement dated 7 January 2021 between the Transferor and First Data Europe Limited (as amended from time to time);

"**Confirmation of Payee Service**" means the account name-checking service provided by Pay.UK Limited;

"**Consolidation Rights**" means any rights providing for any Encumbrance given in respect of an agreement not to be released or discharged until obligations have been satisfied in respect of any other agreement;

"**Controller**" has the meaning ascribed thereto in the UK GDPR;

"**Court**" means the High Court of England and Wales;

"**Covered Bond Programme**" means the Transferor's £4 billion global covered bond programme unconditionally and irrevocably guaranteed as to payments of interest and principal by Moorland Covered Bonds LLP;

"**Covered Bond Programme Documentation**" means any contract, commitment, engagement, undertaking or other agreement entered into between the Transferor and any other party in connection with the Covered Bond Programme;

"**Covered Bonds**" means any debt securities issued by the Transferor under the Covered Bond Programme which remain outstanding at the Relevant Date;

"**Covered Bonds Retained Interest**" means:

(A) any Covered Bonds which have been retained or purchased by the Transferor; and

(B) any assets or receivables which have been retained by the Transferor from the pool of receivables transferred by the Transferor to any party to the Covered Bond Programme,

for any reason or purpose (howsoever retained);

"**Credit Card**" means a credit or charge card issued by the Transferor to a Credit Card Customer;

"**Credit Card Accounts**" means an account, a facility or an arrangement in relation to a Credit Card;

"**Credit Card Agreement**" means the terms and conditions and any other arrangements entered into between the Transferor and a Credit Card Customer at the Effective Date (each as varied in accordance with its terms from time to time) and applicable to that Credit Card Customer's Credit Card Account;

"**Credit Card Customer**" means the person or persons to whom a Credit Card Account has been provided and any successors in title or other person from time to time assuming the rights or obligations (or both) in connection with that Credit Card Account;

"**Cross-Default Rights**" means the rights providing for, or which (if exercised) might result in, the acceleration or alteration of payment obligations or other obligations under, or the termination or enforcement of, an agreement, as a result of a default under another agreement;

"**Customer**" means any customer (whether a retail customer or a business customer) of the Transferor, including Deposit Customers, Loan Customers, Mortgage Customers and Credit Card Customers (and including joint account holders);

"**Customer Accounts**" means the Deposit Accounts, the Loan Accounts, the Mortgage Accounts and the Credit Card Accounts, and any other account or facility between the Transferor and a Customer by which money, securities, investments or any unit of account is, or may be, deposited, borrowed or held by any person with or from the Transferring Business (and in any case whether or not recorded in the Business Records);

"**Customer Agreements**" means all contracts, agreements and ancillary documents between (1) the Transferor and (2) a Customer and/or a person who has provided an Encumbrance, a guarantee or an indemnity in respect of a Customer, including (without prejudice to the generality of the foregoing): (i) the Deposit Agreements; (ii) the Loan Agreements; (iii) the Mortgage Agreements; and (iv) the Credit Card Agreements;

“**Cyber Defence Alliance**” means Cyber Defence Alliance Limited, a private company limited by guarantee incorporated in England with its registered office is at 1 Churchill Place - Level 22 Canary Wharf, London, United Kingdom, E14 5HP, with registered number 09899234;

"**Data**" means any accounts, books, records, documents, data (including any Personal Data), text, diagrams, images and drawings or other information (in whatever form and whether physical or electronic);

"**Data Protection Legislation**" means the following, to the extent applicable from time to time: (i) the UK GDPR; (ii) the Data Protection Act 2018; (iii) the PECR; and (iv) any other legislation, guidelines or codes relating to the protection and/or processing of Personal Data or e-privacy, which in the case of guidelines or codes are legally binding and issued by a Regulatory Authority;

"**Data Subject**" has the meaning ascribed thereto in the UK GDPR;

"**Deposit**" means each deposit held by the Transferor in respect of a Deposit Customer as at the Effective Date and, except in respect of accounts that have been closed prior to the Effective Date, comprising the aggregate of all principal sums and interest and other monies owing to that Deposit Customer by the Transferor with respect to that deposit as at the Effective Date;

"**Deposit Accounts**" means an account, a facility or an arrangement in relation to a Deposit, including personal and business deposit accounts, personal and business current accounts, and personal and business savings accounts;

"**Deposit Agreement**" means the terms and conditions and any other arrangements entered into between the Transferor and a Deposit Customer at the Effective Date (each as varied in accordance with its terms from time to time) and applicable to that Deposit Customer's Deposit Account;

"**Deposit Customer**" means the person or persons (excluding the Transferor) to whom a Deposit Account has been provided and any successors in title or other person from time to time assuming the rights or obligations (or both) in connection with that Deposit Account;

"**Effective Date**" means the time and date on which this Scheme shall become effective in accordance with paragraph 40;

"**Eligible Deposit Account**" means a Deposit Account between the Transferor and an Eligible Deposit Customer, but excluding:

(A) any personal or business current account provided to any Deposit Customer acting in their capacity as a member or representative of any unincorporated association;

(B) any Deposit Account in a branch or agency of the Transferor in a country or territory outside of the UK and repayable in that country or territory; and

(C) any qualifying time deposit as defined by sections 866(2) and 866(3) of the Income Tax Act 2007;

"**Eligible Deposit Customer**" means the person or persons named as the holder of a Deposit Account (including joint account holders), but excluding any Deposit Customer who is:

(A) an individual who is named as the holder of a personal or business current account (including joint account holders) and who is acting in their capacity as a member or representative of any unincorporated association;

(B) an individual acting as a bare trustee or a simple trustee for a body corporate;

(C) a body corporate; or

(D) an individual who is deceased on or before the Effective Date,

and provided that, in the case of any Joint Customer, where the number of Joint Customers on the account exceeds four, only the first four named Joint Customers on the account shall be Eligible Deposit Customers;

"**Eligible Mortgage Account**" means a Mortgage Account between the Transferor and an Eligible Mortgage Customer in respect of an Eligible Mortgage Loan;

"**Eligible Mortgage Customer**" means a Mortgage Customer who:

(A) is an individual; and

(B) to whom an Eligible Mortgage Loan has been made by or from the Transferor,

but excluding any Mortgage Customer who is a body corporate or an individual who is deceased on or before the Effective Date and provided that, in the case of any Joint Customer, where the number of Joint Customers on the account exceeds four, only the first four named Joint Customers on the account shall be Eligible Mortgage Customers;

"**Eligible Mortgage Loan**" means a Mortgage Loan which satisfies each of the following conditions in paragraphs (A) to (E) of this definition:

(A) as at the Effective Date, the amounts owed on the Mortgage Loan are owed directly to the Transferor;

(B) as at the date the Mortgage Loan was made or acquired (as applicable), the Mortgage Loan is secured on land by:

(i) a mortgage of a legal estate in land in England and Wales or Northern Ireland;

(ii) a heritable security over land in Scotland;

(iii) a security over land in the Isle of Man, the Channel Islands or Gibraltar which acknowledges and requires repayment of the Mortgage Loan and secures such repayment on the land;

(iv) if secured before 31 December 2020, a security over land in a country or territory in the European Economic Area other than the UK which acknowledges and requires repayment of the Mortgage Loan and secures such repayment on the land and continues to be secured over that land; or

(v) a mortgage of an equitable interest in land in England and Wales or Northern Ireland of a description and created in circumstances prescribed by an order made by His Majesty's Treasury and in compliance with any conditions prescribed in such order;

(C) not less than 50% of the Mortgage Loan is secured on land;

(D) as at the Effective Date, the Transferor or the other person referred to in paragraph (A) of this definition has not taken possession of, or exercised its power of sale in relation to, the whole or any part of the land on which the Mortgage Loan is secured, or obtained an order for foreclosure absolute or, in Scotland, foreclosure in respect of the whole or any part of the land on which the Mortgage Loan is secured; and

(E) as at the Effective Date, the relevant Mortgage Agreement has not been terminated and/or the Transferor has not served notice upon the relevant Mortgage Customer to terminate such arrangement;

"**Employment Contracts**" means all contracts of employment between the Transferor and an employee of the Transferor;

"**Encumbrance**" means any claim, charge (fixed or floating), legal charge, mortgage, standard security, lien, option, equitable right, assignment, trust arrangement, power of sale, pledge, hypothecation, restriction, retention of title, right of pre-emption, right of first refusal or third party right or security interest of any kind (including any retention arrangement), or an agreement, arrangement or obligation to create any of the foregoing, or any other type of preferential arrangement (including title transfer and retention arrangements) having a similar effect;

"**Entire Agreement Clause**" means a clause contained in a Customer Agreement, an Existing Transferee Agreement or a New Transferee Agreement which provides that the agreement represents the entire agreement between the parties in respect of all or some of the accounts or products or services of the type that are the subject matter of the agreement or that are referred to in the agreement, or otherwise states that the relevant Customer Agreement, Existing Transferee Agreement or New Transferee Agreement (as applicable) shall apply to all accounts or products or services provided by the Transferor or the Transferee (as appropriate);

"**Excluded Assets**" means:

(A) all rights, including any amounts owed to the Transferor, under the Excluded Contracts at the Relevant Date;

(B) the interest and title to, and all rights in respect of, the Excluded BoE Arrangements;

(C) all the issued shares or other interests or ownership rights in subsidiaries of the Transferor, other than the Transferring Subsidiaries;

(D) the Transferor LEI;

(E) the SWIFT BIC;

(F) all the issued shares or other interests or ownership rights of the Transferor in SWIFT SC;

(G) all the interests or ownership rights of the Transferor in the Cyber Defence Alliance;

(H) the Non-UK Law Business Assets;

(I) all rights, benefits, title and interest in respect of the Retained Operational Accounts and Ledgers; and

(J) the Excluded Intellectual Property;

“**Excluded BoE Arrangements**” means:

(A) the rights, obligations, benefits, burdens, liabilities, title and interest in respect of the Bank of England Accounts and Facilities and any related security, including as they arise in relation to the Transferor’s participation in Payment Schemes;

(B) any balance (positive, negative or zero) on and assets contained in any such account; and

(C) any funding (in whole or in part allocated to be held by the Transferee in the Transferor's systems immediately prior to the Effective Date) which has been provided to the Transferor in respect of any such facility (as appropriate) as of the Effective Date,

in each case, that are specified as “Non-Transferred Arrangements” in the BoE Side Letter;

"**Excluded Business**" means:

(A) the Excluded Assets; and

(B) the Excluded Liabilities;

"**Excluded Contracts**" means:

(A) the Employment Contracts;

(B) any other contracts, commitments, agreements or arrangements which the Transferor and the Transferee agree in writing prior to the Effective Date shall be Excluded Contracts for the purpose of this Scheme;

(C) the BoE Side Letter;

(D) the Bank of England Documentation in respect of the Excluded BoE Arrangements;

(E) the Retained Operational Accounts and Ledgers Side Letter;

(F) the Pension Participation Arrangements;

(G) the Pension Support Arrangements; and

(H) any contracts, agreements or arrangements which are governed by the law of any country other than the countries of the UK;

“**Excluded Intellectual Property**” means any Intellectual Property of the Transferor which would be Transferring Intellectual Property but which the Court does not have jurisdiction to transfer, including those trademarks listed in Schedule 2 (*Excluded Intellectual Property*);

"**Excluded Liabilities**" means:

(A) any Liability of the Transferor under or in respect of the Excluded Assets and the Excluded Contracts; and

(B) the Non-UK Law Business Liabilities;

"**Existing Transferee Agreement**" means any agreement, to the extent in force immediately prior to the Relevant Date, between (1) the Transferee and (2) a customer of the Transferee (which may include a Customer) and/or a person who has provided an Encumbrance, a guarantee or an indemnity in respect of a customer of the Transferee;

"**FCA**" means the Financial Conduct Authority or any previous or successor regulator or regulators as shall from time to time carry out such functions as were at the date of this Scheme allocated to the Financial Conduct Authority under FSMA in the UK;

"**Foundation**" means The Coventry Building Society Charitable Foundation, a company limited by guarantee incorporated in England and Wales, with registered company number 03662532 and charity number 1065552, and whose registered office is at Coventry House, Harry Weston Road, Binley, Coventry, West Midlands, England CV3 2TQ;

"**FPS**" means the Faster Payments Service;

"**Freezing Order**" means any order of any court of any jurisdiction imposing any restrictions or conditions (including on the use of, payment from, disposition of, dealing with, or diminution of) on Business Assets under custody comprised in the Transferring Business, including freezing orders or Mareva injunctions, restraint orders, and orders pursuant to the Proceeds of Crime Act 2002 or its predecessors;

"**FSCS**" means The Financial Services Compensation Scheme Limited;

"**FSCS Commencement Date**" means 3 December 2026;

"**FSCS Eligible Deposit**" has the meaning of ‘eligible deposit’ as defined in Chapter 2 of the Depositor Protection Part of the PRA Rulebook;

"**FSCS End Date**" means 2 March 2027 or, in respect of any Qualifying Deposits which are Residual Liabilities or Sanctioned Liabilities, the date falling three months after the relevant Subsequent Transfer Date;

"FSCS Limit" means £120,000 or such other maximum compensation sum payable for the aggregate FSCS Eligible Deposits of a depositor in accordance with Chapter 4 of the Depositor Protection Part of the PRA Rulebook as it applies immediately prior to the Relevant Date (or, at the date of any withdrawal, where a withdrawal is made between the FSCS Commencement Date and the Relevant Date in accordance with paragraph 22.1);

"**FSMA**" means the Financial Services and Markets Act 2000;

"**Funding Transaction Documentation**" means any contract, commitment, engagement, undertaking or other agreement entered into between the Transferor and any other party in connection with a Funding Transaction;

"**Funding Transactions**" means each of (i) Avon Finance No. 3 PLC note issuance of August 2023, (ii) Avon Finance No. 4 PLC note issuance of September 2023; (iii) Great Hall Mortgages No.1 PLC note issuance of December 2006; (iv) Stratton Mortgage Funding 2024-2 PLC note issuance of March 2024 and (v) Warwick Finance Residential Mortgages Number Four PLC note issuance of October 2017;

"**Goodwill**" means the goodwill of the Transferring Business existing at the Effective Date, including the exclusive right, in so far as the Transferor can grant it, for the Transferee to represent itself as carrying on the Transferring Business in succession to the Transferor from the Effective Date;

"**Governmental Authority**" means any multinational, national, federal, state, provincial or local governmental or regulatory or supervisory authority or entity or body or any subdivision thereof, including any agency, instrumentality, division, department, court or other body thereof and including, for the avoidance of doubt, any Regulatory Authority;

"**Group**" means, in relation to any company, that company and any company which is a parent undertaking or subsidiary undertaking of that company and any other subsidiary undertaking of any such parent undertaking;

"**Holdings**" means The Co-operative Bank Holdings PLC, a company incorporated in England with its registered office at 1 Balloon Street, Manchester, United Kingdom, M4 4BE, with registered number 10865342;

"**HMRC**" means HM Revenue and Customs;

"**ICS**" means Image Clearing System;

"**Intellectual Property**" means all patents, utility models, trademarks, trade or business names, logos, domain names, rights in designs, copyrights, moral rights, rights to prevent passing off or unfair competition, database rights, know how, software and all other intellectual or industrial property rights (whether or not any of these is registered and including applications or rights to apply for registration of any such thing and together with all extensions and renewals thereof) and all rights or forms of protection of a similar nature or having equivalent or similar effect to any of these which may subsist anywhere in the world;

"**ISA Manager**" means a person who is approved by the Commissioners for HMRC for the purposes of the ISA Regulations as an account manager;

"**ISA Regulations**" means the Individual Savings Account Regulations 1998;

"**Joint Customer**" means, as the context requires, an Eligible Deposit Customer who is named as the joint holder of a Deposit Account or an Eligible Mortgage Customer to whom an Eligible Mortgage Loan has been made jointly with one or more other Eligible Mortgage Customers;

"**Know how**" means all know how, trade secrets and confidential information, in any form (including paper, electronically stored data, magnetic media, film and microfilm) including financial and technical information, drawings, formulae, test results or reports, project reports and testing procedures, information relating to the working of any product, process, invention, improvement or development, instruction and training manuals, tables of operating conditions, information concerning intellectual property portfolio and strategy, market forecasts, lists or particulars of Customers and suppliers, sales targets, sales statistics, prices, discounts, margins, future business strategy, tenders, price sensitive information, market research reports, information relating to research and development and business development and planning reports and any information derived from any of them;

"**Land Registry**" means HM Land Registry of England and Wales, Land Register of Scotland, Land Registry of Northern Ireland or other equivalent body (as applicable);

"**Liability**" means any debt or liability (whether direct or indirect, absolute or contingent, accrued or unaccrued, liquidated or unliquidated, or due or to become due), including all liabilities to Tax, and including all costs and expenses relating thereto;

"**Loan**" means any secured or unsecured lending product, and/or any personal, business or other loans (including overdrafts) provided by the Transferor, other than a Mortgage Loan;

"**Loan Accounts**" means an account, a facility or an arrangement between the Transferor and a Loan Customer in relation to a Loan;

"**Loan Agreement**" means the terms and conditions and any other arrangements entered into between the Transferor and a Loan Customer at the Effective Date (each as varied in accordance with its terms from time to time) and applicable to that Loan Customer's Loan Account;

"**Loan Customer**" means the person or persons to whom a Loan has been made and any successors in title or other person from time to time assuming the rights or obligations (or both) in connection with that Loan;

“**Long-Term Incentive Plan**” means The Co-operative Bank plc 2021 Long-Term Incentive Plan adopted on 17 June 2015 as amended on 21 February 2019

"**Marketing Consent**" means a consent given by a Data Subject permitting marketing to be sent to them, including (i) opt-in consent; (ii) inferred consent whether under the soft opt-in exemption under Regulation 22(3) of PECR or otherwise; or (iii) by the Data Subject not having objected to marketing;

"**Marketing Preference**" means each of the following: (i) a Marketing Consent; (ii) an indication (by act or omission, as appropriate) by the Data Subject that such Marketing Consent is withheld or withdrawn, or that the Data Subject has exercised their rights to object to receive direct marketing communications; and (iii) a record of the fact that a Data Subject has or has not so exercised their rights (as the case may be);

“**Management Incentive Plan**” means The Co-Operative Bank 2018 Management Incentive Plan adopted on 13 December 2018 and amended on 6 March 2020;

“**MIP Letter**” means the letter dated on or around September 2026 between Bank and The Co-operative Bank Holdings Plc regarding the Management Incentive Plan;

"**Mortgage**" means: (i) a first or subsequent ranking fixed charge by way of legal or equitable mortgage or charge over property (in relation to English, Welsh or Northern Irish mortgages); or (ii) a first or subsequent ranking standard security (in relation to Scottish property), whether registered, unregistered or noted at the relevant land registry and which secures the repayment of a Mortgage Loan or Mortgage Loans;

"**Mortgage Accounts**" means an account, a facility or an arrangement in relation to a Mortgage or Mortgage Loan (or both);

"**Mortgage Agreement**" means the terms and conditions and any other arrangements entered into between the Transferor and a Mortgage Customer at the Effective Date (each as varied in accordance with its terms from time to time) and applicable to that Mortgage Customer's Mortgage Account;

"**Mortgage Customer**" means the person or persons to whom a Mortgage Loan has been made by or from the Transferor and any successors in title or other person from time to time assuming the rights or obligations (or both) in connection with that Mortgage Loan;

"**Mortgage Loan**" means a mortgage loan lent by, or owed to, the Transferor on or before the Effective Date to a Mortgage Customer, secured by a Mortgage and, except in respect of loans that have been fully redeemed prior to the Effective Date, comprising the aggregate of all principal sums, interest, costs, charges, expenses and other monies (including all further advances) due or owing to the Transferor with respect to that loan or, as the context may require, a Mortgage Customer's obligations in respect of the same (or both);

"**New Member**" means a person who has become, by operation of paragraph 19 of this Scheme, a member of the Transferee from the Effective Date or the applicable Subsequent Transfer Date;

"**New Originations**" means any application made by a person to the Transferor, whether or not accepted by the Transferor, and any offer or invitation made by the Transferor to a person, in each case made prior to the Relevant Date, which may result in the execution on or after the Relevant Date of what would, had the relevant agreement been executed prior to the Relevant Date, be a Customer Agreement forming part of the Transferring Business;

"**New Transferee Agreement**" means any agreement, to the extent entered into on or after the Relevant Date, between (1) the Transferee and (2) a customer of the Transferee (which may include a Customer) and/or a person who has provided an Encumbrance, a guarantee or an indemnity in respect of a customer of the Transferee;

“**Non-UK Law Business Liabilities**” means any Liabilities which would form part of the Transferring Business but are governed by the law of any country other than the countries of the UK;

"**Non-UK Law Business Assets**" means any Assets which would form part of the Transferring Business but are governed by the law of any country other than the countries of the UK;

"**OBL**" means Open Banking Limited or any successor organisation designated as the implementation entity under the Competition and Markets Authority’s Retail Banking Market Investigation Order 2017;

"**Offset Deposit**" means a Deposit held by the Transferor for a Customer in an offset savings account or an offset current account and which is, or interest payable thereon is, set off against the balance of, or interest due under, a Mortgage Account held under an Offset Mortgage Agreement for the purposes of interest calculation on such Mortgage Account;

"**Offset Mortgage Agreement**" means a Mortgage Agreement relating to an offset mortgage arrangement under which Customer deposits held in an offset savings account or an offset current account or interest payable thereunder are set off against the balance of, or interest due under, the Mortgage Account when determining the relevant balance for the purposes of interest calculation;

"**OFSI**" means the Office of Financial Sanctions Implementation;

"**OFSI Licence**" means a licence obtained by the Transferor from OFSI approving the transfer of the Sanctioned Assets to the Transferee pursuant to this Scheme;

"**Open Banking Certificates**" means: (i) the Transferor's registration in the open banking directory maintained by OBL; and (ii) any certificates or software statements held by the Transferor as at the Relevant Date for the purposes of complying with the Open Banking Requirements;

"**Open Banking Consents**" means the benefit of any consents given to the Transferor prior to the Relevant Date, or after the Relevant Date in response to a request initiated prior to the Relevant Date, and in each case in its capacity as an account information service provider, account servicing payment service provider or payment initiation service provider and for the purposes of satisfying the Open Banking Requirements in relation to the provision of account information services or payment initiation services by the Transferor or any other person;

"**Open Banking Data**" means all Data relating to the Open Banking Consents;

"**Open Banking Requirements**" means the Payment Services Regulations 2017 and any legislation or technical standards made thereunder and the standards, rules and technical specifications of the OBL, in each case as they relate to account information services and payment initiation services as defined in the Payment Services Regulations 2017;

"**Order**" means an order made by the Court pursuant to section 111 of FSMA sanctioning this Scheme and any order (including any subsequent order) in relation to this Scheme made by the Court pursuant to section 112 of FSMA;

"**Payment Scheme Memberships Reference Information**" means any identifiers or references that banking industry bodies and Payment Schemes use to identify the Transferor for the purposes of making and receiving payments and the provision of ancillary services and activities and which relate exclusively or predominately to the Transferring Business;

"**Payment Schemes**" means those payment schemes in which the Transferor participates directly, as at the Effective Date, including but not limited to the Bacs, FPS, ICS, CHAPS, Visa and LINK schemes;

"**PECR**" means the Privacy and Electronic Communications (EC Directive) Regulations 2003;

"**Pension Escrow Agreements**" means the following agreements between, inter alia, Transferor and the trustee of The Co-operative Pension Scheme:

(A) the payment agreement between Bank and PACE Trustees Limited dated 18 June 2020;

(B) the security deed between Bank and PACE Trustees Limited dated 18 June 2020 (as amended from time to time); and

(C) the custody agreement between Bank, PACE Trustees Limited and The Bank of New York Mellon dated

"**Pension Participation Arrangement**" means any contract, deed, agreement or arrangement under which the Transferor participates in any Transferor Pension Scheme (each of which is, for the avoidance of doubt, an Excluded Contract within the meaning of that definition);

"**Pension Support Arrangement**" means any contract, deed, agreement or arrangement (other than the Pension Escrow Agreements) under which the Transferor is or may be required to make contributions to any Transferor Pension Scheme and / or indemnifies any person in relation to their current or former role as trustee (or current or former director of such trustee) of any Transferor Pension Scheme (each of which is, for the avoidance of doubt, an Excluded Contract within the meaning of that definition);

"**Personal Data**" has the meaning ascribed thereto in the UK GDPR;

"**PRA**" means the Bank of England in its capacity as the Prudential Regulation Authority or any previous or successor regulator or regulators as shall from time to time carry out such functions as were at the date of this Scheme allocated to the Prudential Regulation Authority under FSMA in the UK;

"**PRA Rulebook**" means the rules and directions contained in the PRA Rulebook, as supplemented by any relevant PRA supervisory statements;

"**Proceedings**" means any claim, counterclaim, complaint, petition, suit, appeal, application, review, or other legal, regulatory or administrative process, whether intended to have interim, preliminary or final effect in relation to its subject matter, before any court, Governmental Authority, Regulatory Authority, tribunal, arbitration panel, ombudsman or other body subsisting or empowered by law or regulation or by the provisions of an agreement;

"**Qualifying Deposit Customer**" means a Customer who holds FSCS Eligible Deposits with both the Transferee and the Transferor at any time from the FSCS Commencement Date until the Relevant Date;

"**Qualifying Deposits**" means deposits (including any Deposits transferred pursuant to this Scheme) held by a Qualifying Deposit Customer with an aggregate balance in excess of the FSCS Limit:

(A) at any time from the FSCS Commencement Date until the Relevant Date, with both the Transferor and the Transferee; or

(B) immediately following the Relevant Date, with the Transferee;

“**RCMS**” means the Reimbursement Claims Management System operated by Pay.UK Limited which enables payment firms to communicate with each other and manage Authorised Push Payment (APP) scam claims and report data to Pay.UK Limited.

"**Register**" means a register kept by the relevant Land Registry or other register of assets (as applicable);

"**Regulatory Authority**" means any supra-national, national, state, municipal or local government (including any sub-division, court, administrative agency, commission, department, institution, association, tribunal or other authority thereof) or private body exercising any regulatory, administrative or quasi-governmental authority, including any banking or financial services or other regulatory authority which regulates or supervises any part of the Transferring Business or any member of the Transferee's Group or the Transferor's Group;

"**Relevant Date**" means the date on which a Business Asset or an Assumed Liability transfers to the Transferee, being the Effective Date (in respect of the Transferring Assets and the Transferring Liabilities) or the applicable Subsequent Transfer Date (in respect of a Residual Asset or a Residual Liability or a Sanctioned Asset or a Sanctioned Liability);

"**Residual Asset**" means:

(A) any Assets of the Transferor (including any Encumbrance in favour of the Transferor) which would be a Transferring Asset but:

(i) which the Court does not have jurisdiction to transfer;

(ii) which, despite having such jurisdiction, the Court determines not so to transfer;

(iii) the transfer of which requires but does not have recognition by the laws of any relevant jurisdiction;

(iv) which the Transferor and the Transferee agree in writing prior to the Effective Date would more conveniently be, or which pursuant to the terms of this Scheme is to be, transferred after the Effective Date; or

(v) which cannot be transferred to or vested in the Transferee on the Effective Date for any other reason (other than by reason of being a Sanctioned Asset); and

(B) any proceeds of sale or income or other accrual or return whatsoever, whether or not in any case in the form of cash, and any other property earned or received from time to time after the Effective Date but prior to any relevant Subsequent Transfer Date in respect of any such property referred to in paragraph (A) of this definition;

"**Residual Liability**" means any Liability of the Transferor which would be a Transferring Liability but:

(A) which the Court does not have jurisdiction to transfer;

(B) which, despite having such jurisdiction, the Court determines not so to transfer;

(C) the transfer of which requires but does not have recognition by the laws of any relevant jurisdiction;

(D) which the Transferor and the Transferee agree in writing prior to the Effective Date would more conveniently be, or which pursuant to the terms of this Scheme is to be, transferred after the Effective Date;

(E) which cannot be transferred to or vested in the Transferee on the Effective Date for any other reason (other than by reason of being a Sanctioned Liability); or

(F) which relates to a Residual Asset and arises at any time before the Subsequent Transfer Date applicable to that Residual Asset;

"**Retained Operational Accounts and Ledgers**" means those accounts and ledgers specified in the Retained Operational Accounts and Ledgers Side Letter;

"**Retained Operational Accounts and Ledgers Side Letter**" means the side letter entered into between the Transferor and the Transferee to take effect at the Effective Date, which lists the Retained Operational Accounts and Ledgers;

"**Sanctioned Asset**" means any Asset of the Transferor which:

(A) would be a Transferring Asset but which would be unlawful under Sanctions to transfer to the Transferee on the Effective Date pursuant to this Scheme; or

(B) would be a Residual Asset but which would be unlawful under Sanctions to transfer to the Transferee on the applicable Subsequent Transfer Date pursuant to this Scheme;

"**Sanctioned Liability**" means any Liability of the Transferor which:

(A) would be a Transferring Liability but which would be unlawful under Sanctions to transfer to the Transferee on the Effective Date pursuant to this Scheme; or

(B) would be a Residual Liability but which would be unlawful under Sanctions to transfer to the Transferee on the applicable Subsequent Transfer Date pursuant to this Scheme;

"**Sanctions**" means any economic, financial or trade sanctions administered by the UK (including His Majesty's Treasury), the United Nations (including its Security Council and any United Nations Security Council Sanctions Committee), the European Union, any Member State of the European Union and/or the United States (including the Office of Foreign Assets Control of the US Department of the Treasury);

"**Scheme**" means this banking business transfer scheme in its original form or with or subject to any modification, addition or condition that may be approved or imposed by the Court in accordance with paragraph 41;

"**Set-Off Rights**" means rights arising under, or in respect of, any Customer Agreement or Existing Transferee Agreement providing for credit balances on one account to be used as payment towards a Liability arising on, or in respect of, another account or facility;

"**Share**" means share account opened or share issued by the Society, as defined in the Transferee Rules;

"**Shareholding Member**" means any individual who holds a Share, in accordance with the Transferee Rules;

"**SMF**" means the Bank of England's Sterling Monetary Framework;

"**Subject Rights Request**" means a request made by a Data Subject to exercise their rights under Data Protection Legislation in respect of Transferring Personal Data;

"**Subsequent Transfer Date**" means, in relation to any Residual Asset, Residual Liability, Sanctioned Asset or Sanctioned Liability, the time and date after the Effective Date on which such Residual Asset, Residual Liability, Sanctioned Asset or Sanctioned Liability is to be transferred to the Transferee, namely:

(A) in respect of any Residual Asset falling within paragraphs (A)(i) to (A)(iii) and (A)(v) of the definition of Residual Asset, and of any Residual Liability falling within paragraph (A) to (C) and (E) of the definition of Residual Liability, the time and date on which the requisite restriction on transfer or vesting or requisite order or recognition to enable the same to be transferred to the Transferee upon the terms of this Scheme is:

(i) obtained; or

(ii) no longer required;

(B) in respect of any Residual Asset falling within paragraph (A)(iv) of the definition of Residual Asset and of any Residual Liability which falls within paragraph (D) of the definition of Residual Liability, the time and date on which the Transferor and the Transferee agree that the transfer shall take effect or on which the Residual Asset or Residual Liability becomes capable of being transferred under the terms of this Scheme (as notified by the Transferor to the Transferee);

(C) in the case of any Residual Asset falling within paragraph (B) of the definition of Residual Asset and of any Residual Liability falling within paragraph (F) of the definition of Residual Liability, the time and date on which such Residual Asset or Residual Liability is received, earned or incurred by the Transferor, to the extent that such transfer is possible under this Scheme and the Transferor and the Transferee agree that such transfer should take place; and

(D) in respect of any Sanctioned Asset or Sanctioned Liability, as soon as reasonably practicable following the date after the Effective Date, being the earlier of the date on which (i) such Sanctioned Asset or Sanctioned Liability is no longer subject to the relevant prohibition on transfer; or (ii) an OFSI Licence is granted and effective;

"**SWIFT BIC**" means the SWIFT Business Identification Codes CPBKGB22 ;

"**SWIFT SC**" means S.W.I.F.T. SC, a limited liability cooperative company incorporated in Belgium, with registered number 0413.330.856 and whose registered office is at Avenue Adèle 1, 1310 La Hulpe, Belgium;

"**Tax**" means:

(A) all forms of tax, levy, duty, charge, impost, withholding or deduction in the nature of tax whenever created or imposed and whether of the UK or elsewhere; and

(B) all charges, interest, penalties and fines incidental or relating to any sum falling within paragraph (A) of this definition or which arise as a result of the failure to pay that sum on the due date or to comply with any obligation relating to it,

regardless (in each case) of whether any such tax, levy, duty, charge, impost, withholding, deduction, interest, penalties or fines are chargeable directly or primarily against or attributable directly or primarily to the Transferor or the Transferee or any other person and whether or not any such amount in respect of any of them is recoverable from any other person;

"**Transferee**" means Coventry Building Society, a building society registered in England and Wales, with registered number 148B and whose registered office is at Coventry House, Harry Weston Road, Binley, Coventry, West Midlands, England CV3 2TQ;

“**TFSME**” means the Bank of England’s Term Funding Scheme with additional incentives for Small and Medium-sized Enterprises;

"**Transferee Business**" means all business carried on by the Transferee, excluding the Transferring Business;

"**Transferee Memorandum**" means the memorandum of the Transferee, a copy of which is available on the Transferee's website at www.coventrybuildingsociety.co.uk/member/corporate-governance.html;

"**Transferee Rules**" means the rules of the Transferee, a copy of which is available on the Transferee's website at www.coventrybuildingsociety.co.uk/member/corporate-governance.html;

"**Transferor**" means The Co-operative Bank PLC, a company incorporated in England, with registered number 00990937 and whose registered office is at 1 Balloon Street, Manchester, United Kingdom, M4 4BE;

"**Transferor Pension Schemes**" means:

(A) the Britannia Society Pension Scheme currently governed by a trust deed dated 16 December 2008 (as amended from time to time);

(B) the Bank Section of The Co-operative Pension Scheme currently governed by the rules made on 4 June 2018 (as amended from time to time);

(C) the L&G Worksave Master Trust; and

(D) the employer-financed retirement benefits scheme known as the Britannia Supplementary Pension and Life Assurance Plan currently governed by a trust deed dated 10 January 2008 (as amended from time to time);

"**Transferor LEI**" means the legal entity identifier of the Transferor, being 213800TLZ6PCLYPSR448;

"**Transferring Assets**" means the Business Assets except to the extent that they are Residual Assets or Sanctioned Assets;

"**Transferring BoE Arrangements**" means:

(A) the rights, obligations, benefits, burdens, liabilities, title and interest in respect of the Bank of England Accounts and Facilities and any related collateral pools, balances (including collateral balances) and security, including as they arise in relation to the Transferor's participation in the Payment Schemes;

(B) any balance (positive, negative or zero) on and assets contained in any such account; and

(C) any funding (in whole or in part allocated to be held by the Transferee in the Transferor's systems immediately prior to the Effective Date) which has been provided to the Transferor in respect of any such facility (as appropriate) as of the Effective Date,

in each case, that are specified as "Transferred Arrangements" in the BoE Side Letter;

"**Transferring Business**" means the business of the Transferor carried on as at the Effective Date (whether or not recorded in the Business Records), including the Customer Accounts and (without prejudice to the generality of the foregoing):

(A) all activities carried on in connection with or for the purposes of that business;

(B) all rights, undertakings and assets used in, or relating to, that business; and

(C) all liabilities of whatever nature relating to that business,

but excluding the Excluded Business;

"**Transferring Contracts**" means all contracts that have been entered into by the Transferor from time to time in relation to or in connection with the Transferring Business and which are in force immediately prior to the Effective Date (including, without limitation, all Customer Agreements, Treasury Contracts, contracts (including agreements and ancillary documents) relating to the Transferring Payment Schemes and Related Arrangements, the Ancillary Pension Contracts, the Pension Escrow Agreements, the Transferring EFRBS, the Access to Cash Agreements, the 2021 Long-Term Incentive Plan of the Transferor (and any awards or rights granted by the Transferor thereunder), the MIP Letter and the Clover Contract, but excluding the Excluded Contracts;

"**Transferring EFRBS**" means the employer-financed retirement benefits scheme known as The Co-operative Bank Supplementary Pension Scheme or alternatively as the 'Pension Promise' which provides 'top-up' benefits to four members of the Bank Section of The Co-operative Pension Scheme to the extent that their pension benefits in the Bank Section are restricted due to a cap on relevant earnings used to calculate their benefits;

"**Transferring Intellectual Property**" means all rights, title and interest in any Intellectual Property relating specifically to the Transferring Business, but excluding the Excluded Intellectual Property;

"**Transferring Liabilities**" means the Assumed Liabilities except to the extent that they are Residual Liabilities or Sanctioned Liabilities;

"**Transferring Payment Schemes and Related Arrangements**" means the rights, obligations, benefits, burdens, liabilities, title and interest, related accounts, security or other arrangements associated with the operation and in respect of the Transferor's membership of, or participation in:

(A) the Payment Schemes;

(B) the CASS;

(C) the Confirmation of Payee Service;

(D) the Cash ISA Transfer Service;

(E) the RCMS;

(F) the UTSP;

(G) the Payment Scheme Memberships Reference Information;

but excluding in each case any contracts, agreements, ancillary documents, related accounts, security or other arrangements which are Excluded BoE Arrangements;

"**Transferring Personal Data**" means the Personal Data which is Business Data in respect of which the Transferor was a Controller immediately before the Effective Date;

"**Transferring Real Properties**" means all freehold and leasehold properties owned or otherwise held by the Transferor and, where the context so requires, includes the buildings on each such property, together with any attendant or ancillary rights, permissions, Encumbrances or similar;

"**Transferring Subsidiaries**" means the bodies corporate listed in Schedule 3 (*Transferring Subsidiaries*);

"**Treasury Contracts**" means all:

(A) international Swaps and Derivatives Association master agreements, credit support annexes, cleared derivatives execution agreements, cross-border swaps representation letters and any other associated ancillary documents, addendums, annexes, agreements, elections or protocols (including, without limitation, any accession agreement in relation to the LCH Execution Standard Terms for Client Clearing or any delegated or mandatory reporting agreement, portfolio reconciliation and/or dispute resolution agreement) relating to any of the foregoing between the Transferor and third parties and any transactions thereunder in force as at the Effective Date;

(B) global repurchase master agreements and any other associated ancillary documents or agreements relating to any of the foregoing between the Transferor and third parties and any transactions thereunder in force as at the Effective Date; and

(C) contracts, agreements, arrangements and ancillary documents (including derivative contracts) entered into by the Transferor in relation to:

(i) the Covered Bond Programme, including all Covered Bond Programme Documentation and any issuance of Covered Bonds thereunder;

(ii) the Warwick Issuance, including all Warwick Issuance Documentation and any issues of notes thereunder; and

(iii) the Funding Transactions, including all Funding Transaction Documentation and any issues of notes thereunder.

"**TUPE Regulations**" means the Transfer of Undertakings (Protection of Employment) Regulations 2006;

"**UK**" means the United Kingdom of Great Britain and Northern Ireland;

“**UK GDPR**" means the General Data Protection Regulation (2016/679) as it forms part of the law of England and Wales, Scotland and Northern Ireland by virtue of section 3 of the European Union (Withdrawal) Act 2018;

“**UTSP**” means the Public Key Infrastructure (PKI) Trust Service operated by UTSP Limited and managed by Pay.UK Limited, which enables payment service providers to access the customer sensitive data needed to use FPS and Bacs and manages the digital certificates that are required to keep that data secure;

"**VAT**" means:

(A) any value added tax imposed by the Value Added Tax Act 1994 and legislation and regulations supplemental thereto;

(B) to the extent not included in paragraph (A) of this definition, any Tax imposed in compliance with the council directive of 28 November 2006 on the common system of value added tax (EC Directive 2006/112); and

(C) any other Tax of a similar nature to the tax referred to in paragraph (A) or paragraph (B) of this definition, whether imposed in the UK or a member state of the European Union in substitution for, or levied in addition to, such tax referred to in paragraph (A) or paragraph (B) of this definition, or imposed elsewhere;

"**Warwick Issuance**" means the Warwick Finance Residential Mortgages Number Three PLC stand alone residential mortgage backed note issuance of 19 October 2017;

"**Warwick Issuance Documentation**" means any contract, commitment, engagement, undertaking or other agreement entered into between the Transferor and any other party in connection with the Warwick Issuance;

"**Warwick Retained Interest**" means;

(A) any debt securities issued under the Warwick Issuance which have been retained or purchased by the Transferor for any reason or purpose (howsoever retained); or

(B) any assets or receivables which have been retained by the Transferor from the pool of receivables transferred by the Transferor to any party to the Warwick Issuance for any reason or purpose (howsoever retained),

including, but not limited to, such debt securities, assets or receivables retained by the Transferor for collateral or liquidity management purposes or to satisfy any applicable regulatory requirement to retain an economic interest in the Warwick Issuance, including under Article 6 of Regulation (EU) 2017/2402 of the European Parliament and of the Council of 12 December 2017, Chapter 5 of the SECN Securitisation sourcebook of the FCA Handbook and Article 6 of Chapter 2 of the PRA Securitisation Rules as they form part of the UK Securitisation Framework, and/or, if applicable, Section 15G of the US Securities Exchange Act of 1934 and regulations related to credit risk retention promulgated thereunder.

1.2 In this Scheme:

(A) "**property**" or "**asset**" includes property, assets, cash, Encumbrances, causes of action, rights and powers of every description (whether present or future, actual or contingent), including income or interest accrued but unpaid, and includes property held on trust and securities, benefits, powers of any description and any interest whatsoever in any of the foregoing;

(B) "**transfer**" includes (as the context may require) "**assign**", "**assignation**" or "**assignment**", "**dispose**" or "**disposal**" or "**convey**" or "**conveyance**";

(C) "**rights**" includes present, future, contingent or prospective rights, whether ascertained or unascertained, and any rights in respect of any judgment or award made in any Proceedings;

(D) "**relating to**" and "**in relation to**", when used in conjunction with any business or item, concerns subject-matter that has a more substantial connection with that business or item than with any other;

(E) any reference to "**including**" or "**includes**" shall be construed as a reference to "**including, without limitation**," or "**includes, without limitation**," respectively;

(F) any reference to a "**company**" shall be construed so as to include any corporation or other body corporate, wherever and however incorporated or established;

(G) any reference to a "**person**" shall be construed so as to include any individual, firm, company, corporation, body corporate, government, state or agency of a state, local or municipal authority or government body or any joint venture, association (whether or not incorporated), partnership (whether or not having separate legal personality) and a person's executors or administrators (and, for the avoidance of doubt, shall include a trustee);

(H) the expressions "**body corporate**", "**debentures**", "**parent undertaking**", "**subsidiary**" and "**subsidiary undertaking**" shall have the same meaning in this Scheme as their respective definitions in the Companies Act 2006;

(I) where any obligation pursuant to this Scheme is expressed to be undertaken or assumed by any person, such obligation shall be construed as including a requirement on that person to exercise all rights and powers of control over the affairs of any other person which that person is properly able to exercise (whether directly or indirectly) in order to secure performance of such obligation;

(J) any reference to the singular shall include a reference to the plural and vice versa, and any reference to the masculine shall include a reference to the feminine and neuter and vice versa;

(K) unless otherwise specified, any reference to an enactment, a statutory provision or any subordinate legislation shall be deemed to include a reference to that enactment, statutory provision or subordinate legislation as amended, replaced or re-enacted from time to time and to any instrument or order made from time to time under such enactment, statutory provision or subordinate legislation;

(L) any reference to any rules or regulations issued by any regulator shall be deemed to include a reference to such rules or regulations as amended or replaced from time to time;

(M) any reference to this Scheme shall include any schedules to it and references in this Scheme to paragraphs, Parts or Schedules are, except where the context otherwise requires, to paragraphs of, Parts of and Schedules to this Scheme;

(N) headings are inserted for convenience only and shall not affect the construction of this Scheme;

(O) any reference to any agreement, instrument, deed or other document (including the Transferee Memorandum and the Transferee Rules) shall be to such agreement, instrument, deed or other document as amended, varied, modified, supplemented, extended, novated, renewed or replaced from time to time;

(P) if a period of time is specified from a given day or date or from the day or date of an actual event, it shall be calculated exclusive of that day or date;

(Q) any references to any process or concepts of English law shall include all equivalent processes or concepts under the laws of any other applicable jurisdiction;

(R) any reference to writing shall include any modes of reproducing words in a legible and non-transitory form; and

(S) any reference to an amount shall be exclusive of any applicable VAT.

PART B: BACKGROUND TO THE TRANSFER

2. BACKGROUND

2.1 The Transferor is a company incorporated in England with its registered office at 1 Balloon Street, Manchester, United Kingdom, M4 4BE, with registered number 00990937. The Transferor is an indirect wholly owned subsidiary of Holdings.

2.2 The Transferee is a building society registered in England and Wales with its registered office at Coventry House, Harry Weston Road, Binley, Coventry, West Midlands, England CV3 2TQ, with registered number 148B.

2.3 On 1 January 2025, the Transferee completed its acquisition of the entire issued share capital of Holdings, the indirect parent company of the Transferor. Following completion of this acquisition, the Transferor is indirectly wholly owned by the Transferee.

2.4 Each of the Transferor and the Transferee is an authorised person in the UK within the meaning of FSMA and has permission to accept deposits pursuant to Part 4A of FSMA.

2.5 This Scheme is a banking business transfer pursuant to section 106 of FSMA and is not an "excluded scheme" or a "ring-fencing transfer scheme" for the purposes of FSMA.

2.6 It is proposed that:

(A) subject to and in accordance with this Scheme, the Transferring Business shall be transferred by the Transferor to the Transferee; and

(B) an Order be made for the sanction of this Scheme under section 111(1) of FSMA.

3. INTERPRETATION

Part A sets out the definitions and other provisions relating to interpretation that apply to this Scheme.

PART C: TRANSFER OF THE TRANSFERRING BUSINESS

4. TRANSFER OF THE TRANSFERRING BUSINESS

On and with effect from each Relevant Date, the Transferring Business shall, by the Order and without any further act or instrument, be transferred to and vest in the Transferee in accordance with and subject to the terms of this Scheme, subject to all Encumbrances (if any) affecting such Transferring Business.

5. TRANSFER OF THE TRANSFERRING ASSETS

On and with effect from the Effective Date, the Transferring Assets and all interest of the Transferor in them shall, by the Order and without any further act or instrument, be transferred to and vest in the Transferee in accordance with and subject to the terms of this Scheme, subject to all Encumbrances (if any) affecting such Transferring Assets.

6. TRANSFER OF THE RESIDUAL ASSETS

On and with effect from each Subsequent Transfer Date, each Residual Asset to which such Subsequent Transfer Date applies and all interest of the Transferor in it shall, by the Order and without any further act or instrument, be transferred to and vest in the Transferee in accordance with and subject to the terms of this Scheme, subject to all Encumbrances (if any) affecting such Residual Asset.

7. TRANSFER OF THE TRANSFERRING LIABILITIES

On and with effect from the Effective Date, the Transferring Liabilities shall, by the Order and without any further act or instrument, be transferred to and become Liabilities of the Transferee in accordance with and subject to the terms of this Scheme, subject to all Encumbrances (if any) affecting such Transferring Liabilities, and shall cease to be Liabilities of the Transferor.

8. TRANSFER OF THE RESIDUAL LIABILITIES

On and with effect from each Subsequent Transfer Date, each Residual Liability to which such Subsequent Transfer Date applies shall, by the Order and without any further act or instrument, be transferred to and become a Liability of the Transferee in accordance with and subject to the terms of this Scheme, subject to all Encumbrances (if any) affecting such Residual Liability, and shall cease to be a Liability of the Transferor.

9. TRANSFER OF THE SANCTIONED ASSETS

On and with effect from each Subsequent Transfer Date, each Sanctioned Asset to which such Subsequent Transfer Date applies and all interest of the Transferor in it shall, by the Order and without any further act or instrument, be transferred to and vest in the Transferee in accordance with and subject to the terms of this Scheme, subject to all Encumbrances (if any) affecting such Sanctioned Asset.

10. TRANSFER OF THE SANCTIONED LIABILITIES

On and with effect from each Subsequent Transfer Date, each Sanctioned Liability to which such Subsequent Transfer Date applies shall, by the Order and without any further act or instrument, be transferred to and become a Liability of the Transferee in accordance with and subject to the terms of this Scheme, subject to all Encumbrances (if any) affecting such Sanctioned Liability, and shall cease to be a Liability of the Transferor.

11. FROZEN ACCOUNTS

On and with effect from each Relevant Date, any account held by a Customer with the Transferor which is subject to a Freezing Order shall, by the Order and without any further act or instrument, be transferred to and vest in the Transferee, and the Transferee shall be entitled to the same rights and priorities and be subject to the same obligations and incidents pursuant to the Freezing Order to which the Transferor would itself have been entitled and subject if it had continued to hold the relevant account subject to the Freezing Order. For the avoidance of doubt, on and with effect from each Relevant Date, any reference to the Transferor (however worded and whether express or implied) in an existing Freezing Order should be read as being a reference to the Transferee.

12. EXCLUDED ASSETS

The Order and this Scheme shall not operate to transfer or have the effect of transferring, or be construed to operate to transfer or have the effect of transferring, to the Transferee any of the Excluded Assets.

13. EXCLUDED LIABILITIES

The Order and this Scheme shall not operate to transfer or have the effect of transferring, or be construed to operate to transfer or have the effect of transferring, to the Transferee any of the Excluded Liabilities.

14. TRANSFER OF ASSETS AND LIABILITIES WITH ASSOCIATED ENCUMBRANCE

14.1 Unless otherwise agreed by the Transferor and the Transferee, any Business Asset (including any asset arising under a Customer Agreement and any associated Mortgage Loan, guarantee, indemnity or other right or benefit) in respect of which an Encumbrance has been granted by or in favour of the Transferor shall only transfer to the Transferee if the relevant Encumbrance transfers at the same time, and any Encumbrance granted by or in favour of the Transferor in respect of any Business Asset shall only transfer to the Transferee if the relevant Business Asset transfers at the same time.

14.2 Unless otherwise agreed by the Transferor and the Transferee, any Assumed Liability (including any Liability arising under a Customer Agreement and any associated Mortgage Loan, guarantee, indemnity or other Liability) in respect of which an Encumbrance has been granted by or in favour of the Transferor shall only transfer to the Transferee if the relevant Encumbrance transfers at the same time, and any Encumbrance granted by or in favour of the Transferor in respect of any Assumed Liability shall only transfer to the Transferee if the relevant Assumed Liability transfers at the same time.

15. TRANSFER OF OFFSET MORTGAGE AGREEMENT WITH ASSOCIATED OFFSET DEPOSIT

Unless otherwise agreed by the Transferor and the Transferee, any Business Asset or Assumed Liability arising under an Offset Mortgage Agreement shall only transfer to the Transferee if the associated Offset Deposit transfers at the same time, and any Offset Deposit associated with any Offset Mortgage Agreement shall only transfer to the Transferee if the Business Assets and the Assumed Liabilities arising under the associated Offset Mortgage Agreement transfer at the same time.

16. CONSEQUENCES OF THE TRANSFER

16.1 On and with effect from each Relevant Date, the Transferee shall succeed to the Transferring Business transferred on such date as if in all respects, but subject to the terms of this Scheme, the Transferee were the same person in law as the Transferor with such Assets, property, Liabilities, rights and obligations as the Transferor had immediately prior to that Relevant Date with respect to the Transferring Business.

16.2 Neither the transfer of the Transferring Business to the Transferee nor this Scheme nor anything done or omitted to be done in connection with the transfer of the Transferring Business to the Transferee or this Scheme shall, in respect of any Business Asset, Assumed Liability or any asset, property or Liability of, or the business of, any member of the Transferee's Group including the business of the Transferee, or any member of the Transferor's Group including the business of the Transferor, whether before, on or after the Relevant Date:

(A) invalidate, discharge, render non-binding or unenforceable or result in the termination of any agreement, instrument, trust deed, indenture, Encumbrance, right, interest, benefit, power, obligation or title or any term included therein;

(B) constitute a breach of or default, event of default, potential event of default, termination event, mandatory prepayment event, enforcement event, perfection event or other similar event or condition (however described) under, or allow any person to terminate, or amend the terms of, or take any other action in relation to, any agreement, instrument, trust deed, indenture, Encumbrance, right, interest, benefit, power, obligation or title, except as expressly set out in this Scheme;

(C) require any registration, re-registration or filing or any amendment to any existing registration or filing in respect of any agreement, instrument, trust deed, indenture, Encumbrance, right, interest, benefit, power, obligation or title;

(D) require any person to perform any new or additional obligation or to take any new or additional step or action, including the giving of any notice, the obtaining of any consent, approval or determination, the accession to any agreement, the payment of any fee, cost, expense, interest or other amount, the granting of any new or additional Encumbrance or the transfer of any asset or property;

(E) entitle or require any person to exercise any right or remedy, to reduce, suspend, delay, alter or discharge its rights or obligations, to accelerate, terminate, suspend, delay, alter or discharge the performance of any rights or obligations or otherwise to vary, amend, disclaim, repudiate or terminate any agreement, instrument or Encumbrance;

(F) affect the enforceability, priority or ranking of any Encumbrance;

(G) enable any person to bring a claim, whether in contract, tort, equity or otherwise in relation to such Business Asset or Assumed Liability which it would not otherwise be able to bring other than as a result of this Scheme;

(H) require or deem any representation or warranty to be made or repeated; or

(I) constitute a breach of, or default under, any court order by any court of any jurisdiction, including so as to render the Transferor in contempt of court.

17. CAPACITY OF THE TRANSFEROR AND THE TRANSFEREE

The transfer of the Transferring Business to the Transferee pursuant to the Order and in accordance with the terms of this Scheme shall have effect whether or not the Transferor (or the Transferee) would, apart from the terms of this Scheme, have the capacity to effect the same and notwithstanding any provision to the contrary in any agreement, contract, court order, trust, deed, indenture or other arrangement with any person or compliance with any contractual pre-condition to such transfer and such transfer shall be deemed to take effect on the basis that there is no requirement to obtain the consent of any person and there is no contravention, Liability or interference with any interest, right or requirement, and on the basis that it does not give rise to any right to terminate, modify, acquire or claim an interest or right, or to treat an interest or right as terminated or modified.

PART D: FURTHER PROVISIONS RELATING TO THE TRANSFER

18. CONTINUITY IN AGREEMENTS AND ELSEWHERE

18.1 In respect of the Transferring Business, on and with effect from each Relevant Date and subject to the terms of this Scheme, each agreement forming part of the Transferring Business (whether in writing or not and including, for the avoidance of doubt, the Transferring Contracts) shall have effect as if, other than in respect of any Excluded Business (or anything falling to be done on or after the Relevant Date in respect of any Excluded Business):

(A) the Transferee had always been a party to it instead of the Transferor, and accordingly, on and with effect from the Relevant Date, the rights and obligations of the Transferor in respect of each such agreement shall be extinguished;

(B) each such agreement shall be subject to the same terms and conditions and Encumbrances as applicable immediately prior to the Relevant Date;

(C) any reference (however worded and whether express or implied) to the Transferor therein shall be substituted, in respect of anything falling to be done on or after the Relevant Date, with a reference to the Transferee;

(D) any label, stamp, identifier or marker in respect of the Transferor (in whatever form) therein shall be substituted with an equivalent label, stamp, identifier or marker of the Transferee;

(E) any reference (however worded and whether express or implied) to the directors or to any director, officer, representative, agent or employee of the Transferor therein shall be substituted, in respect of anything falling to be done on or after the Relevant Date, with a reference to the directors of the Transferee or, as the case may require, to such director, officer, representative, agent or employee of the Transferee as the Transferee may appoint for that purpose or, in default of such appointment, to the director, officer, representative, agent or employee of the Transferee who corresponds as nearly as may be to the first mentioned director, officer, representative, agent or employee;

(F) any reference (however worded and whether express, implied or deemed by any court order) to the Transferor's Group (or to any member or members, whether individually or collectively, of the Transferor's Group) therein shall be substituted, in respect of anything falling to be done on or after the Relevant Date, with a reference to the Transferee's Group or any member or members thereof (as applicable);

(G) any reference (however worded and whether express or implied) to the Transferor's company registration details, legal entity identifier (or similar identification code), Financial Services Register number, VAT number or contact details shall be construed, and take effect as, references to the Transferee's registration details, legal entity identifier (or similar identification code), Financial Services Register number, VAT number or contact details (as applicable);

(H) any reference (however worded and whether express or implied) to the Transferor's address and contact details for notices to be given to the Transferor or to notices being given to the Transferor at the Transferor's registered address therein shall be substituted with a reference to the Transferee's registered address;

(I) any reference (however worded and whether express or implied) to the Transferor as the ISA Manager therein shall be substituted with a reference to the Transferee as the ISA Manager;

(J) any reference (however worded and whether express or implied) to a variable rate set from time to time by the Transferor (such as the Transferor's "Standard Variable Rate" and including "Britannia Standard Variable Rate" and "Platform Standard Variable Rate"), shall be substituted by a reference to a variable rate set from time to time by the Transferee in respect of the Transferring Business. On and with effect from the Effective Date, the Transferee may at its discretion set variable rates from time to time in respect of the Transferring Business that differ from the corresponding variable rates set by it from time to time in respect of the Transferee Business;

(K) any reference (however worded and whether express or implied) to the Transferor being a public limited company incorporated under the laws of England shall be construed as, and take effect as, a reference to the Transferee being a building society incorporated under the BSA 1986; and

(L) any reference (however worded and whether express or implied) in any contract, law, regulation, rule, ordinance or constitutional document which has specific application to the Transferor in its capacity as a bank shall be construed as, and take effect as, a reference to such law, regulation, rule, ordinance or constitutional document or part thereof which has equivalent or substantially the same application to the Transferee in its capacity as a building society.

18.2 In respect of the Transferring Business, on and with effect from each Relevant Date and subject to the terms of this Scheme:

(A) any deposit, Mortgage Loan, mortgage, guarantee, indemnity or other assurance available to any person from the Transferor immediately prior to that Relevant Date and forming part of the Transferring Business transferred on such date shall become a deposit, Mortgage Loan, mortgage, guarantee, indemnity or other assurance available to such person from the Transferee, and, subject to the terms of this Scheme, the Transferee shall have all rights, powers, remedies and Encumbrances in its favour, and shall be subject to the same obligations and Encumbrances against it and without affecting the enforceability, priority or ranking of any such Encumbrance, in respect of such deposit, Mortgage Loan, mortgage, guarantee, indemnity or other assurance as the Transferor immediately prior to that Relevant Date;

(B) any deposit, Mortgage Loan, mortgage, guarantee, indemnity or other assurance available to the Transferor from any person immediately prior to that Relevant Date and forming part of the Transferring Business transferred on such date shall become a deposit, Mortgage Loan, mortgage, guarantee, indemnity or other assurance available to the Transferee from such person, and, subject to the terms of this Scheme, the Transferee shall have the same rights, powers, remedies and Encumbrances in its favour and shall be subject to the same obligations and Encumbrances against it and without affecting the enforceability, priority or ranking of any such Encumbrance, in respect of such deposit, Mortgage Loan, mortgage, guarantee, indemnity or other assurance as the Transferor immediately prior to that Relevant Date;

(C) any account between the Transferor and a Customer or any other person in respect of the Transferring Business (including, for the avoidance of doubt, Deposit Accounts in respect of the Deposit Agreements, Mortgage Accounts in respect of the Mortgage

Agreements, Loan Accounts in respect of the Loan Agreements, Credit Card Accounts in respect of the Credit Card Agreements) transferred on such date shall become an account between the Transferee and that Customer or person and, subject to the terms of this Scheme, shall be subject to the same terms and conditions and Encumbrances as applicable to it immediately prior to that Relevant Date, and such account shall be deemed for all purposes to be a single continuing account irrespective of any re-designation or change in reference to that account by sort code and account number or otherwise made on or after that Relevant Date, and any Encumbrance over such account immediately prior to that Relevant Date shall continue to be an Encumbrance over the account on and after that Relevant Date, including in circumstances where the account is re-designated or re-referenced, without the giving of any notice or the taking of any other steps;

(D) any Asset forming part of the Business Assets transferred on that Relevant Date which was held by the Transferor, whether alone or jointly with others, as a trustee, custodian or in a similar fiduciary capacity shall be held by the Transferee alone or jointly, as the case may be, and in the same capacity, with and subject to the rights, powers, discretions, duties and obligations previously applicable to the Transferor;

(E) any Asset forming part of the Business Assets transferred on that Relevant Date and in which the Transferor was interested, whether alone or jointly with others, as a beneficiary or in a similar capacity shall vest in the Transferee alone or jointly, as the case may be, and in the same capacity, with and subject to the rights, powers, discretions, duties and obligations previously applicable to the Transferor;

(F) any reference to a rate, charge, tariff or scale of fees or to terms or conditions published in any current document or instrument, determined, ascertained, varied or amended from time to time by the Transferor shall afford to the Transferee the same right under such contract, other document or instrument as the Transferor had to publish, determine, ascertain, vary or amend such rates, charges, tariffs, scales of fees, terms or conditions;

(G) any existing direct debit instruction, standing order, direction, mandate, power of attorney, authority, undertaking, consent, notice or declaration given to or by the Transferor or any Customer or any third party or given by the Transferor to any Customer or third party (in each case, whether or not in writing and whether or not in relation to an account) shall have effect as if given to or by the Transferee (as applicable);

(H) any negotiable instrument or order for payment of money drawn on or by, or given to, or accepted or endorsed by, the Transferor, payable at any place of business of the Transferor, whether so drawn, given, accepted, endorsed or payable before, on or after the Relevant Date, shall have the same effect as if it had been drawn on or by, or given to, or accepted or endorsed by the Transferee or as if the place of business at which it is payable were a place of business of the Transferee (as applicable);

(I) any Loan made to any Customer by the Transferor on or before the Relevant Date shall become a loan made between the Transferee and such Customer, and the Transferee shall have all rights, powers and remedies and priority in relation to any other creditors to such Customer as the Transferor;

(J) any Credit Card Agreement made with any Customer by the Transferor on or before the Relevant Date shall become a credit card agreement made between the Transferee and such Customer, and the Transferee shall have all rights, powers, remedies and priority in relation to any other creditors to such Customer as the Transferor;

(K) as regards agreements forming part of the Transferring Business transferred on such date, under which interest, principal or other sums attributable or referable thereto are payable:

(i) to the extent that interest, principal or other sums were payable by the Transferor immediately prior to that Relevant Date, such interest, principal or other sums shall be payable by the Transferee;

(ii) to the extent that interest, principal or other sums were payable to the Transferor immediately prior to that Relevant Date, such interest, principal or other sums shall be payable to the Transferee; and

(iii) the Transferor shall account to the Transferee for any such interest or principal or other sums referred to in paragraph 18.2(K)(ii) to the extent that the same are received by the Transferor; and

(L) any person who is a counterparty to a Customer Agreement, or any party with rights under or pursuant to any such Customer Agreement, shall be entitled to the same rights as against the Transferee under or pursuant to such Customer Agreement as were available to it against the Transferor immediately prior to the Relevant Date, and accordingly such rights as were available to that party as against the Transferor in relation to such Customer Agreement before the Relevant Date shall be extinguished.

18.3 In respect of the Covered Bond Programme, on and with effect from the Relevant Date and subject to the terms of this Scheme:

(A) all rights, obligations, benefits, burdens, liabilities, title and interest of the Transferor under or pursuant to the Covered Bond Programme and each trust deed constituting the Covered Bonds, shall, without any further act or instrument, be transferred to and assumed by the Transferee as principal debtor, including, but without limitation, the obligations of the Transferor to pay (i) all interest (if any) on the Covered Bonds accrued up to the Relevant Date but unpaid; and (ii) all other moneys (if any) payable under or pursuant to the Covered Bonds and each relevant trust deed in respect thereof accrued up to the Relevant Date but unpaid;

(B) the Transferee shall be deemed to be named in place of the Transferor in all Covered Bond Programme Documentation, and the Transferee shall assume and (where applicable) perform all rights, obligations, benefits, burdens, liabilities, title and interest of the Transferor thereunder and shall be bound by the terms of the Covered Bond Programme Documentation as principal debtor under each trust deed constituting the Covered Bonds and all of the Covered Bond Programme Documentation, as if the Transferee had at all times been a party to the Covered Bond Programme Documentation in such capacity in place of the Transferor;

(C) all rights, obligations, benefits, burdens, liabilities, title and interest of the Transferor under or in connection with the Covered Bonds, the Covered Bond Programme Documentation and the Covered Bond Programme shall cease;

(D) each Covered Bonds Retained Interest held by the Transferor shall, without any further act or instrument, be transferred to, held by, vested in and enforceable by, the

Transferee as if the Transferee, instead of the Transferor, had always been holder of such Covered Bonds Retained Interest;

(E) the Transferor shall be fully discharged and released from any further obligations under or in connection with the Covered Bond Programme Documentation and the Covered Bond Programme and all obligations and liabilities thereunder notwithstanding any provision thereof whether or not such provision is deemed to survive termination;

(F) the legal title or interests held by the Transferor to any assets or receivables which have been beneficially transferred (or declared to be held on trust) by the Transferor under the Covered Bond Programme Documentation to another party to the Covered Bond Programme Documentation shall, without any further act or instrument, be transferred to, held by, vested in and enforceable by the Transferee, as if the Transferee, instead of the Transferor, had always been holder of such legal title or interests; and

(G) each of the parties (other than the Transferor) to the Covered Bond Programme Documentation shall perform its obligations (if any) under the Covered Bond Programme Documentation and be bound by the terms of the Covered Bond Programme Documentation in every way as if the Transferee had at all times been a party to the Covered Bond Programme Documentation in such capacity in place of the Transferor.

18.4 In respect of the Warwick Issuance, on and with effect from the Relevant Date and subject to the terms of this Scheme:

(A) all rights, obligations, benefits, burdens, liabilities, title and interest of the Transferor under or pursuant to the Warwick Issuance shall, without any further act or instrument, be transferred to and assumed by the Transferee;

(B) the Transferee shall be deemed to be named in place of the Transferor in all Warwick Issuance Documentation, and the Transferee shall assume and (where applicable) perform all rights, obligations, benefits, burdens, liabilities, title and interest of the Transferor thereunder and shall be bound by the terms of the Warwick Issuance Documentation as if the Transferee had at all times been a party to the Warwick Issuance Documentation in such capacity in place of the Transferor;

(C) all rights, obligations, benefits, burdens, liabilities, title and interest of the Transferor under or in connection with the Warwick Issuance Documentation shall cease;

(D) the Transferor shall be fully discharged and released from any further obligations under or in connection with the Warwick Issuance Documentation and all obligations and liabilities thereunder notwithstanding any provision thereof whether or not such provision is deemed to survive termination;

(E) each of the parties (other than the Transferor) to the Warwick Issuance Documentation shall perform its obligations (if any) under the Warwick Issuance Documentation and be bound by the terms of the Warwick Issuance Documentation in every way as if the Transferee had at all times been a party to the Warwick Issuance Documentation in such capacity in place of the Transferor;

(F) each Warwick Retained Interest held by the Transferor shall, without any further act or instrument, be transferred to, held by, vested in and enforceable by the Transferee, as if the Transferee, instead of the Transferor, had always been holder of such Warwick Retained Interest; and

(G) the legal title or interests held by the Transferor to any assets or receivables which have been beneficially transferred (or declared to be held on trust) by the Transferor under the Warwick Issuance Documentation to another party to the Warwick Documentation shall, without any further act or instrument, be transferred to, held by, vested in and enforceable by the Transferee, as if the Transferee, instead of the Transferor, had always been holder of such legal title or interests.

18.5 On and with effect from each Relevant Date:

(A) subject to the terms of this Scheme, any Encumbrance in respect of or constituting part of the Transferring Business transferred on such date that was held by or vested in the Transferor, or a nominee or agent of or trustee for the Transferor, (whether for the Transferor alone or for the Transferor and other persons) immediately prior to the Relevant Date shall be held by or vested in the Transferee or, as applicable, that nominee, agent or trustee for the Transferee as if the Transferee or that nominee, agent or trustee had always held such Encumbrance or had the benefit of such Encumbrance and be available to and enforceable by the Transferee, or the relevant nominee, agent or trustee, both with respect to (i) any Liabilities and indebtedness (including any principal, interest, fees, charges or other sums) to which the Encumbrance relates which has been incurred or which has arisen prior to the applicable Relevant Date; and (ii) any Liabilities and indebtedness (including any principal, interest, fees, charges or other sums) to which the Encumbrance relates which is incurred or which arises on or after the applicable Relevant Date; and

(B) subject to the other provisions of this Scheme, in respect of any Encumbrance referred to in paragraph 18.5(A) which is transferred on that Relevant Date and any Liabilities thereby secured, the Transferee, or the relevant nominee, agent or trustee for the Transferee, shall on and from that Relevant Date be entitled to the same rights, ranking and priorities and be subject to the same obligations and incidents as those to which the Transferor, or the relevant nominee, agent or trustee, was entitled and subject immediately prior to that Relevant Date and, without prejudice to the generality of the foregoing, all waivers, amendments, conditions, consents, deeds of substitution, deeds of release, ranking agreements and priority agreements relating to any such Encumbrance shall be enforceable by and binding upon the Transferee, or the relevant nominee, agent or trustee for the Transferee, on and after that Relevant Date to the same extent to which the same would have been enforceable by and binding upon the Transferor, or the relevant nominee, agent or trustee, prior to that Relevant Date.

19. MEMBERSHIP OF THE TRANSFEREE

19.1 The Transferee shall designate each Eligible Deposit Account, and each such Eligible Deposit Account shall by operation of this Scheme be so designated, from the Relevant Date, as a Share in the Transferee. Accordingly each Eligible Deposit Customer holding an Eligible Deposit Account shall, with effect immediately from the Relevant Date, rank as a Shareholding Member of the Transferee and shall be deemed simultaneously to have agreed to be bound by the Transferee Memorandum and the Transferee Rules and to have executed a Charitable Assignment Agreement, to the intent that the Eligible Deposit Customer's enjoyment of rights deriving from being a Shareholding Member of the Transferee should be fettered to the same degree only as those of any other individual who becomes a new Shareholding Member of the Transferee on the Relevant Date other than as a result of this Scheme.

19.2 Each Eligible Mortgage Customer with an Eligible Mortgage Account shall, with effect immediately from the Relevant Date, rank as a Borrowing Member of the Transferee and shall be deemed simultaneously to have agreed to be bound by the Transferee Memorandum and the Transferee Rules, to the intent that the Eligible Mortgage Customer's enjoyment of rights deriving from being a Borrowing Member of the Transferee should be fettered to the same degree only as those of any other individual who becomes a new Borrowing Member of the Transferee on the Relevant Date other than as a result of this Scheme.

19.3 For the purposes of this paragraph 19, the reference to "By applying to open a share account" in the Charitable Assignment Agreement shall be read as a reference to the relevant Eligible Deposit Customer becoming a Shareholding Member by operation of this Scheme.

19.4 If, prior to the Relevant Date, a New Member has given the Transferor (or any member of the Transferor's Group) in respect of any Eligible Deposit Account, Eligible Mortgage Account or otherwise a mandate, permission, consent or other instruction to receive electronic communications at an electronic address notified by the New Member to the Transferor, then such New Member shall be deemed as from the Relevant Date to have notified such electronic address to the Transferee for the purposes of receiving from the Transferee any notice of meeting of the Transferee, form for the appointment of a proxy or other document in connection with a general meeting and any document to which section 76(8) of the BSA 1986 applies that the Transferee is required by the BSA 1986 to send such New Member.

19.5 With effect from the Effective Date, any communication issued by the Transferee to New Members which includes notice of the Transferee's summary financial statement and auditor's report shall satisfy the requirements in section 76(8E) of the BSA 1986.

20. CONTINUITY OF PROCEEDINGS

20.1 On and with effect from each Relevant Date, any Proceedings issued, served, pending, threatened or which may be brought in the future (including those not yet in contemplation), in connection with the Transferring Business transferred on that Relevant Date, and in respect of which the Transferor is plaintiff, claimant, applicant, defendant, respondent or other party, and including any such Proceedings commenced in error against the Transferor on or after the Relevant Date, shall be continued or (as the case may be) commenced by, against or with the Transferee in place of the Transferor and:

(A) the Transferee shall be entitled to all defences, claims, counterclaims, defences to counterclaims and (subject to paragraph 32) rights of set-off that were or would have been available to the Transferor in relation to those Proceedings; and

(B) Customers shall be entitled to all defences, claims, counterclaims, defences to counterclaims and rights of set-off against the Transferee that were or would have been available to them against the Transferor in relation to those Proceedings.

20.2 To the extent that any Proceedings are issued or served in connection with any Residual Asset or Residual Liability, they shall, until the applicable Subsequent Transfer Date, be continued by the Transferor in accordance with the reasonable instructions of the Transferee, and the Transferee shall indemnify the Transferor in relation to all reasonable costs and Liabilities incurred in connection with the continuance of such Proceedings or in following the directions of the Transferee.

20.3 On and with effect from each Relevant Date, unless otherwise agreed in writing between the Transferor and the Transferee, any judgment, settlement, order or award obtained by or against the Transferor in respect of any of the Transferring Business transferred on that Relevant Date and not fully satisfied before such Relevant Date shall, to the extent to which it was enforceable by or against the Transferor immediately prior thereto, become enforceable by or against the Transferee.

21. ADDITIONAL PROVISIONS RELATING TO THE TRANSFER

21.1 On and with effect from each Relevant Date:

(A) the Transferee shall have the same rights, powers and remedies (and in particular the same rights and powers as to taking or resisting legal proceedings or making or resisting applications to any authority) for ascertaining, perfecting or enforcing any Business Asset or Assumed Liability available to the Transferor immediately prior to that Relevant Date, as if such Business Asset or Assumed Liability had at all times been an Asset or Liability of the Transferee; and

(B) the Transferee shall be entitled to rely on and enforce any consent, waiver, representation, warranty, statement or estoppel given or made to the Transferor by a person in respect of the Transferring Business prior to the applicable Relevant Date as though such consent, waiver, representation, warranty, statement or estoppel had been given or made to the Transferee and to the same extent that the Transferor would have been able to rely on and enforce the same.

21.2 On and with effect from each Relevant Date and subject to the terms of this Scheme, the custody of any document, record, goods or other thing held by the Transferor as bailee, chargee or custodian or under any similar arrangement in respect of any of the Transferring Business transferred on that Relevant Date shall pass to the Transferee and the rights and obligations of the Transferor under any contract of bailment, custody or similar arrangement relating to any such document, record, goods or thing shall on that day become rights and obligations of the Transferee.

21.3 The Transferor and the Transferee shall use reasonable endeavours to take all such steps, and execute all such documents, as may be necessary or desirable:

(A) to effect or perfect the transfer to and vesting in the Transferee of any Residual Asset falling within paragraph (A)(v) of the definition of Residual Asset pursuant to this Scheme; and

(B) to effect or perfect the transfer to and assumption by the Transferee of any Residual Liability falling within paragraph (E) of the definition of Residual Liability pursuant to this Scheme.

22. PROVISIONS IN RELATION TO FSCS LIMIT

22.1 Subject to paragraph 22.2, where, immediately following the Relevant Date, a Qualifying Deposit Customer has (or would, but for the exercise of their rights pursuant to this paragraph 22.1, have) Qualifying Deposits, the Transferee and/or the Transferor shall permit that Qualifying Deposit Customer, for a period starting from the FSCS Commencement Date until the FSCS End Date, to withdraw amounts from such deposits (or any part of them) free from any penalty, fee, notice or charge (including loss of accrued interest and other benefits) which may have applied to the withdrawal of the relevant deposits (or any part of them), to the extent that the amount which the Qualifying Deposit Customer may withdraw free of penalty, fee, notice or charge does not cause the Aggregate Balance to fall below the applicable FSCS Limit.

22.2 During the period starting from the FSCS Commencement Date until the FSCS End Date, the Transferee and/or the Transferor shall not be required to permit a Qualifying Deposit Customer to make a withdrawal free of penalty, fee, notice or charge, as referred to in paragraph 22.1, unless the relevant customer has first contacted the Transferee or the Transferor to request the withdrawal.

22.3 A Qualifying Deposit Customer shall not be entitled to withdraw or transfer to another institution any amount of Qualifying Deposits where the Qualifying Deposits relate to any account (including a Customer Account) subject to Sanctions or an active Freezing Order.

23. PROVISIONS IN RELATION TO OFFERS ETC. PRIOR TO THE RELEVANT DATE

Without prejudice to the generality of paragraph 18, on and with effect from the Relevant Date:

(A) any application, offer or invitation to treat made to or by the Transferor prior to the Relevant Date in respect of New Originations shall be construed and have effect as an offer or invitation to treat made to or by the Transferee;

(B) if a person executes a contract, agreement, ancillary document, Encumbrance, guarantee, indemnity or other document as a result of any application, offer or invitation to treat referred to in paragraph 23(A) which would, when completed, on its face be a contract, agreement or ancillary document with or Encumbrance, guarantee, indemnity or other document in favour of the Transferor, such contract, agreement, ancillary document , Encumbrance, guarantee, indemnity or other document shall operate as if with or in favour of the Transferee;

(C) paragraph 18.1 shall apply, as appropriate, in relation to such application, offer, invitation to treat, contract agreement, ancillary document, Encumbrance, guarantee, indemnity or other document as referred to in paragraphs 23(A) and 23(B) (as applicable) and any further document relating thereto; and

(D) any agreement entered into between the Transferee and a third party in respect of the Transferring Business shall not be found to be unenforceable as a result of any documents having been issued in the name of the Transferor.

24. PROVISIONS RELATING TO CERTAIN CONTRACTUAL ARRANGEMENTS

24.1 Notwithstanding any other provision of this Scheme, where a Transferring Contract or an Existing Transferee Agreement contains a provision which has the effect of requiring the Transferor or the Transferee to obtain goods and/or services for the Transferring Business or the Transferee Business on an exclusive basis from the counterparty, on and with effect from the Relevant Date, the relevant provision shall be read and construed as if it referred only to obtaining goods and/or services for the Transferring Business or the Transferee Business and shall not apply to obtaining goods and/or services for any other part of the Transferee's Group.

24.2 Notwithstanding any other provision of this Scheme, where a Transferring Contract contains a provision which has the effect of requiring the Transferor to take (or refrain from taking) any action in relation to a Customer or Customer Account, on and with effect from the Relevant Date, the relevant provision shall be read and construed as if it referred only to the Transferring Business (and not to the Transferee Business).

24.3 Notwithstanding any other provision of this Scheme, on and with effect from the Relevant Date, where a supplier provides services to the Transferor pursuant to a Transferring Contract and provides the same services to the Transferee pursuant to a separate Existing Transferee Agreement:

(A) the pricing provisions in the Transferring Contract shall continue to apply to the services supplied in respect of the Transferring Business; and

(B) the pricing provisions in the Transferee's equivalent Existing Transferee Agreement shall continue to apply to those services supplied in respect of the Transferee Business.

For the avoidance of doubt, the transfer of the Transferring Business shall not trigger any volume discounts or similar pricing provisions in Transferring Contracts or the Transferee's equivalent Existing Transferee Agreement which exist at the Relevant Date.

24.4 Notwithstanding any other provision of this Scheme (including, for the avoidance of doubt, paragraph 18.1), on and with effect from the Relevant Date:

(A) where a Transferring Contract contains a provision whereby the scope of services, rights, obligations, benefits, burdens, liabilities, fees, charges or discounts pursuant to such Transferring Contract are calculated or determined by reference to an attribute relating to the Transferring Business or the Transferor (including an attribute such as the number of employees of the Transferor), then such provision shall be read and construed as if it referred only to the Transferring Business (and not to the Transferee Business); and

(B) where an Existing Transferee Agreement contains a provision whereby the scope of services, rights, obligations, benefits, burdens, liabilities, fees, charges or discounts pursuant to such Existing Transferee Agreement are calculated or determined by reference to an attribute relating to the Transferee Business or the Transferee (including an attribute such as the number of employees of the Transferee), then such provision shall be read and construed as if it referred only to the Transferee Business (and not to the Transferring Business).

25. DATA PRIVACY, CONFIDENTIALITY AND DATA PROTECTION

On and with effect from each Relevant Date:

(A) to the extent not already provided to the Transferee prior to the Effective Date, the Transferor shall take all reasonable steps to enable the Transferring Personal Data to be disclosed or otherwise made available to the Transferee;

(B) the Transferee shall succeed to all rights, Liabilities and obligations of the Transferor in respect of any Transferring Personal Data;

(C) the Transferee shall become a Controller of the Transferring Personal Data in place of the Transferor;

(D) the Transferee shall be under the same duty by virtue of any law as the Transferor was under with respect to the confidentiality and privacy of the Transferring Personal Data;

(E) any information made available to, or consent obtained or request or other notice received from, any Data Subject by, or on behalf of, the Transferor in respect of the Transferring Personal Data shall be deemed to have been made available, obtained or received by the Transferee;

(F) if the terms and conditions applicable to any part of the Transferring Business prohibit or restrict the Transferor or the Transferee from sharing information with each other, such prohibitions or restrictions shall be deemed to not apply and the Transferor and the Transferee shall be deemed to have: (i) executed any documents; (ii) provided any undertakings; and (iii) met any pre-conditions required pursuant to such prohibitions or restrictions, and shall, therefore, be permitted to share such information with each other (other than to the extent unlawful under, or inconsistent with, Applicable Laws); and

(G) any reference in any information, consent, request or other notice given to or by a Data Subject in respect of the Transferring Personal Data pursuant to Data Protection Legislation: (i) to the Transferor shall be read as being a reference to the Transferee; and (ii) to the Transferor's Group shall be read as being a reference to the Transferee's Group, which shall extend to all entities in the Transferee's Group.

26. MARKETING PREFERENCES

26.1 Subject to paragraph 26.2, on and with effect from the Relevant Date:

(A) the Transferee shall have the benefit and obligations in respect of any Marketing Preferences provided to the Transferor or any member of the Transferor's Group (to the extent the Transferor has reliance on such Marketing Preferences) which relate to the Transferring Business; and

(B) the Transferor shall cease to have the benefit of such Marketing Preferences.

26.2 Where, as at the Relevant Date, both the Transferor and the Transferee hold Marketing Preferences in respect of the same Data Subject then on and with effect from the Relevant Date:

(A) the Transferee shall have the benefit of any Marketing Consent held by the Transferor relating to the Transferring Business as at the Relevant Date notwithstanding any contrary Marketing Preference already held by the Transferee; and

(B) the Transferee shall continue to have the benefit of any Marketing Consent held by the Transferee relating to the Transferee Business as at the Relevant Date notwithstanding any contrary Marketing Preference held by the Transferor,

and, for the avoidance of doubt, the transfer of the Transferring Business shall not extend, broaden or otherwise change the scope of any such Marketing Consent held by the Transferor as at the Relevant Date, except as provided in this paragraph 26.2 and paragraph 25(F).

27. SUBJECT RIGHTS REQUESTS

27.1 As between the Transferor and the Transferee, where a Data Subject has made a Subject Rights Request to the Transferor before the Relevant Date and the Transferor has not responded in accordance with Data Protection Legislation before the Relevant Date, the Transferee shall action and respond to the Subject Rights Request in accordance with Data Protection Legislation. The Transferor and the Transferee acknowledge and agree that if the Transferee has responded to a Subject Rights Request pursuant to the preceding sentence, then the Transferor shall not be required, as between the Transferor and the Transferee, to respond to such Subject Rights Request.

27.2 Where a Data Subject has made a Subject Rights Request to the Transferee before the Relevant Date and the Transferee has not responded in accordance with the Data Protection Legislation before the Relevant Date, the Transferee may exclude Transferring Personal Data transferred as a consequence of the Scheme from its response thereafter.

28. EVIDENCE: BOOKS AND DOCUMENTS

28.1 All books and other documents which would, before the Effective Date, have been evidence in respect of any matter for or against the Transferor in respect of the Transferring Business at the Effective Date shall be admissible in evidence in respect of the same matter for or against the Transferee on or after the Effective Date. In this paragraph 28, "documents" has the same meaning as in section 13 of the Civil Evidence Act 1995.

28.2 On and from the Relevant Date, the Bankers' Books Evidence Act 1879 shall apply to any books of the Transferor transferred to, and vested in, the Transferee by virtue of this Scheme, and to entries made in those books before the Relevant Date, as if such books were the books of the Transferee.

28.3 For the purpose of section 4 of the Bankers' Books Evidence Act 1879, books so transferred to, and vested in, the Transferee shall be deemed to have been the ordinary books of the Transferee at the time of the making of any entry therein which purports to have been made before the Effective Date, and any such entry shall be deemed to have been made in the usual and ordinary course of business.

28.4 Notwithstanding the provisions of this paragraph 28, the Transferor shall, so far as necessary in connection with the Residual Assets, Residual Liabilities, Sanctioned Assets and Sanctioned Liabilities, prior to the Subsequent Transfer Date, be able to rely on the provisions of the Bankers' Books Evidence Act 1879 in relation to the books transferred pursuant to this Scheme and entries made in these books before the Relevant Date as if such books had continued to be the ordinary books of the Transferor and as if any such entries had been made in the usual and ordinary course of business.

28.5 In this paragraph 28, "**books**" shall be construed in accordance with section 9(2) of the Bankers' Books Evidence Act 1879.

29. EMPLOYEES

The Transferor and the Transferee acknowledge that the TUPE Regulations shall apply in respect of employees who are in scope (by reference to the TUPE Regulations) to transfer to the Transferee on any dates on which a transfer may occur pursuant to the TUPE Regulations. The TUPE Regulations provide additional rights for employees.

30. DECLARATION OF TRUST BY THE TRANSFEROR

30.1 If:

(A) any Business Asset is not transferred to and vested in the Transferee by this Scheme on the Effective Date by reason of such asset being a Residual Asset or otherwise; or

(B) any Residual Asset is not transferred to and vested in the Transferee by this Scheme on the Subsequent Transfer Date applicable thereto,

then the Transferor shall, on and from the Effective Date (but save to the extent that giving effect to such a trust would require a consent or waiver which has not been obtained or that such a trust would not be recognised by any Applicable Law or unless otherwise agreed by the Transferor and the Transferee) hold any asset referred to in paragraphs 30.1(A) and 30.1(B), together with any proceeds of sale or income or other right accrued or return arising in respect thereof (including any payment, property or right within paragraph 30.3), as trustee for the Transferee absolutely until the date on which such asset transfers to and vests in the Transferee.

30.2 Unless otherwise agreed by the Transferor and the Transferee, the Transferor shall be subject to directions from the Transferee in respect of any asset referred to in paragraphs 30.1(A) and 30.1(B) on and from the Effective Date until the relevant property is transferred to or otherwise vested in the Transferee or is disposed of (whereupon the Transferor shall account to the Transferee for the proceeds thereof), and the Transferee shall have authority to act as the attorney of the Transferor in respect of such property. The Transferee shall indemnify the Transferor on demand against any reasonable costs or Liability incurred in holding such asset, following directions given to it by the Transferee under this paragraph 30.2, but the Transferor shall bear the costs and liabilities of transferring such asset to the Transferee.

30.3 Unless otherwise agreed by the Transferor and the Transferee, in the event of any payment being made to, asset being received by, right being conferred upon or benefit accruing to the Transferor on or after the Effective Date (other than in the case of Sanctioned Assets and Sanctioned Liabilities, in respect of which the Relevant Date shall apply) in respect of the Transferring Business, the Transferor shall hold such sums, asset, right or benefit on trust and, as soon as is reasonably practicable after its receipt, pay over the full amount of such payment or (to the extent to which it is able to do so) transfer (by means of a transfer at the relevant Land Registry or Register or otherwise) such asset, right or benefit to, or in accordance with the directions of, the Transferee.

31. INDEMNITY IN FAVOUR OF THE TRANSFEROR

31.1 Subject to paragraph 31.2, on and with effect from the Effective Date, the Transferee shall discharge on the Transferor's behalf or, failing that, shall indemnify the Transferor against charges, costs, liabilities and claims arising in respect of all Transferring Liabilities and Residual Liabilities which are not, or are not capable of being, transferred by this Scheme until the relevant liability is transferred to or becomes a liability of the Transferee.

31.2 Unless otherwise agreed by the Transferor and the Transferee, the Transferee shall not indemnify the Transferor against, and shall not be obliged to discharge the Transferor from:

(A) any liability of the Transferor to the extent that the Transferor is entitled to recover the same from any person (including by way of insurance); or

(B) any liability which would fall on the Transferor by virtue of paragraph 31.4.

31.3 The Transferee shall discharge on the Transferor's behalf or indemnify the Transferor against any costs and/or expenses which it may incur in pursuing any claim against any such person as is referred to in paragraph 31.2(A) (including under any applicable contract of insurance). Subject thereto, the Transferor shall take such steps as the Transferee shall require in order to pursue the rights it may have against any such person (including under any applicable contract of insurance). The Transferee shall be entitled to have conduct of all litigation or other Proceedings in respect of any such claim (including taking such action in the name of and on behalf of the Transferor as the Transferee shall determine). In that connection, the Transferor shall give all such assistance as the Transferee may require in conducting any such Proceedings.

31.4 Subject to paragraph 31.5, the Transferor shall indemnify the Transferee against all liabilities, losses, claims and expenses in respect of the Transferring Business to the extent they are otherwise recoverable by the Transferor from any person.

31.5 The indemnity in paragraph 31.4 shall be limited to such amounts as the Transferor shall recover pursuant to the rights it may have against any person (including under any applicable contract of insurance).

PART E: PROVISIONS RELATING TO CUSTOMERS

32. SET-OFF RIGHTS OF THE TRANSFEREE

32.1 On and with effect from the Relevant Date, the Transferee shall not be entitled to apply any Set-Off Rights which might otherwise be exercisable by the Transferee by virtue of this Scheme to reduce or discharge any liability arising from time to time:

(A) under any Existing Transferee Agreement, using credit balances held pursuant to any Customer Agreement; or

(B) under any Customer Agreement, using credit balances held pursuant to any Existing Transferee Agreement.

32.2 The restrictions set out in paragraph 32.1 shall cease to apply in relation to any credit balance (and any liability reduced or discharged by such credit balance) held pursuant to any Customer Agreement or any Existing Transferee Agreement as follows:

(A) where the credit balance is, at the Relevant Date, held for a fixed term, on the date that falls 12 months after the end of that term; and

(B) in all other cases, on the date that falls 12 months after the Relevant Date.

33. ALL MONIES RIGHTS

On and with effect from the Relevant Date, the Transferee shall not be entitled to apply any All Monies Rights which might otherwise be exercisable by the Transferee by virtue of this Scheme:

(A) under any Existing Transferee Agreement, to secure any Liability arising from time to time under any Customer Agreement; or

(B) under any Customer Agreement, to secure any Liability arising from time to time under any Existing Transferee Agreement.

34. CONSOLIDATION RIGHTS

On and with effect from the Relevant Date, the Transferee shall not be entitled to apply any Consolidation Rights which might otherwise be exercisable by the Transferee by virtue of this Scheme to prevent the release of any Encumbrance given in respect of:

(A) any Existing Transferee Agreement, until any obligations have been satisfied under any Customer Agreement; or

(B) any Customer Agreement, until any obligations have been satisfied under any Existing Transferee Agreement.

35. CROSS-DEFAULT RIGHTS

On and with effect from the Relevant Date, the Transferee shall not be entitled to apply any Cross-Default Rights which might otherwise be exercisable by the Transferee by virtue of this Scheme to accelerate, alter, enforce or terminate any rights or obligations:

(A) under or relating to any Existing Transferee Agreement, as a result of the breach of any Customer Agreement; or

(B) under or relating to any Customer Agreement, as a result of the breach of any Existing Transferee Agreement,.

36. OTHER RIGHTS OF THE TRANSFEREE

On and with effect from the Relevant Date, the Transferee shall not be entitled to apply any other right, benefit, interest, discretion, authority or power which might otherwise be exercisable by the Transferee by virtue of this Scheme under or in respect of any:

(A) Existing Transferee Agreement, to terminate, reduce, suspend, delay, alter, discharge or otherwise secure any Liability arising from time to time under any Customer Agreement;

(B) Customer Agreement, to terminate, reduce, suspend, delay, alter, discharge or otherwise secure any Liability arising from time to time under any Existing Transferee Agreement;

(C) Existing Transferee Agreement, to restrict the way in which a Customer can deal with deposit or credit balances under or relating to any Customer Agreement; or

(D) Customer Agreement, to restrict the way in which a Customer can deal with deposit or credit balances under or relating to any Existing Transferee Agreement.

37. ENTIRE AGREEMENT CLAUSES

37.1 Where a Customer Agreement contains an Entire Agreement Clause, on and with effect from the Relevant Date applicable to that Customer Agreement, the relevant clause shall be read and construed as if it referred only to accounts or products or services provided in respect of the Transferring Business, and shall not apply to, and shall not supersede, any Existing Transferee Agreements or New Transferee Agreements.

37.2 Where an Existing Transferee Agreement contains an Entire Agreement Clause, on and with effect from the Relevant Date, the relevant clause shall be read and construed as if it referred only to accounts or products or services of the Transferee not provided in respect of the Transferring Business, and shall not apply to, and shall not supersede, any Customer Agreements.

37.3 Where a New Transferee Agreement contains an Entire Agreement Clause, the relevant clause shall, unless expressly stated to the contrary, be read and construed as if it referred only to accounts or products or services of the Transferee not provided in respect of the Transferring Business, and shall not apply to, and shall not supersede, any Customer Agreements.

38. GUARANTEES AND INDEMNITIES

On and with effect from the Relevant Date, the Transferee shall not be entitled to exercise any rights arising under a guarantee, indemnity, undertaking or commitment given:

(A) to the Transferee under or relating to any Existing Transferee Agreement which might otherwise be exercisable by the Transferee by virtue of this Scheme to secure the obligations of a Customer under or relating to any Customer Agreement; or

(B) to the Transferor under or relating to any Customer Agreement which might otherwise be exercisable by the Transferee by virtue of this Scheme to secure the obligations of a Customer under or relating to any Existing Transferee Agreement.

39. SAVINGS TO RIGHTS

39.1 Subject to paragraphs 39.2 and 39.3, the provisions of paragraphs 32 to 38 shall not apply to diminish any right, benefit, interest, discretion, authority or power which:

(A) immediately prior to the Relevant Date, the Transferee or its counterparty has in respect of agreements entered into by the Transferor, including any rights of the Transferee to use credit balances on accounts held with the Transferee to pay debts owed to the Transferor, any rights of the Transferor to use credit balances on accounts held with the Transferor to pay debts owed to the Transferee or any Cross-Default Rights;

(B) immediately prior to the Relevant Date, the Transferor or its counterparty has in respect of Existing Transferee Agreements or any Cross-Default Rights; or

(C) the Transferee, the Transferor or a Customer may acquire other than as a result of this Scheme, including as a result of the variation on or after the Relevant Date of a Transferring Contract, an Existing Transferee Agreement or a New Transferee Agreement.

39.2 The Transferee shall not vary: (i) a Customer Agreement or an Existing Transferee Agreement with a Customer without the consent of the relevant Customer in a manner which is inconsistent with paragraphs 32 to 38; or (ii) any New Transferee Agreement with a Customer without the consent of the relevant Customer in a manner which is inconsistent with paragraphs 37.1 or 37.3. For the avoidance of doubt, this restriction shall not prevent the Transferee and the Customer from agreeing such a term in the New Transferee Agreement at the time it is entered into.

39.3 Where a New Transferee Agreement with a Customer does not contain an Entire Agreement Clause, the Transferee shall not vary such agreement without the consent of the relevant Customer to introduce an Entire Agreement Clause which would apply across both the Transferring Business and the Transferee Business.

PART F: MISCELLANEOUS

40. EFFECTIVE DATE

40.1 Subject to paragraphs 40.2 and 41, this Scheme shall become effective at 00:00:01 (GMT) on 1 January 2027 in accordance with the Order sanctioning this Scheme, or any such later time and date, if any, as the Transferor and the Transferee may agree in writing and as the Court may allow.

40.2 This Scheme shall not become effective at the Effective Date unless the Court has made an Order under section 111 of FSMA sanctioning this Scheme on or before the Effective Date.

40.3 This Scheme shall lapse if it does not become effective on or before the later of:

(A) 23:59:59 (BST) on 30 April 2027 (or such other time and date as the Transferor and the Transferee may agree in writing); and

(B) such time and/or date as the Court may allow on the application of the Transferor and the Transferee.

41. MODIFICATIONS AND ADDITIONS

41.1 The Transferor and the Transferee may at any time prior to the sanction of this Scheme by the Court jointly consent, for and on behalf of the persons bound hereby and all other persons concerned, other than the PRA and FCA, to any modification of, or addition to, this Scheme or to any further condition or provision affecting the same which the Court may approve or impose.

41.2 At any time after the sanction of this Scheme by the Court, and except as provided for in paragraph 41.3, any amendment to this Scheme must be:

(A) made by application to the Court and approved by the Court; and

(B) notified in advance, and not less than 21 days prior to any proposed Court hearing, to the PRA and the FCA using such contact details as may be provided by the PRA and FCA from time to time, who shall each have the right to attend and be heard at any hearing of the Court (if applicable) at which such application is considered.

If paragraphs 41.2(A) and 41.2(B) apply, the Transferor and the Transferee may amend the terms of this Scheme in accordance with such Court approval.

41.3 Any amendment to this Scheme shall not require Court approval where:

(A) such amendment is:

(i) considered by the Transferor or the Transferee to be minor and/or technical; or

(ii) to correct manifest errors; and

(B) the relevant department of each of the PRA and the FCA has been notified of such amendment and either: (i) the PRA and the FCA have respectively indicated that they do not object thereto; or (ii) in respect of the PRA and the FCA, a period of 30 days has passed commencing on the date of the acknowledgement of receipt of the relevant notification by both the PRA and the FCA without either the PRA or the FCA indicating any objections thereto.

42. EVIDENCE OF TRANSFER

42.1 The production of a copy of the Order and of this Scheme, with any modifications and/or additions made under paragraph 41, for all purposes shall be conclusive evidence of the transfer to, and vesting in, the Transferee of the Transferring Business in accordance with the Order and the provisions of this Scheme.

42.2 In order to enable the Transferee to complete any title to any property or interest in land transferred to, and vested in, it by virtue of this Scheme and, without prejudice to paragraphs 4 to 35 inclusive and 42.1, by notice of title or otherwise, or to deduce title, this Scheme and/or the Order, with any modifications made under paragraph 41, together with any document ancillary thereto (including a certificate of any officer or employee of the Transferee identifying the relevant property or interest in land) shall be deemed to be, and may be used as, a general disposition, conveyance or as the case may be, assignation, of such property or interest in favour of the Transferee.

43. THIRD PARTY RIGHTS

43.1 Subject to paragraph43.2, a person who is not a party to this Scheme may not enforce any term of this Scheme, whether pursuant to the Contracts (Rights of Third Parties) Act 1999 or otherwise.

43.2 Customers may enforce the provisions of paragraphs 32 to 38 (inclusive) against the Transferee. Persons who have given a guarantee, indemnity, undertaking or commitment to the Transferee under or relating to any Existing Transferee Agreement, or to the Transferor under or relating to any Customer Agreement, may enforce the provisions of paragraph 38 against the Transferee. Qualifying Deposit Customers may enforce the provisions of paragraph 22 against the Transferor and the Transferee (as applicable).

44. GOVERNING LAW

This Scheme and any non-contractual obligations arising out of or in connection with it shall be governed by, and interpreted in accordance with, English law.

Dated this _______day of ______________

SCHEDULE 1: CHARITABLE ASSIGNMENT AGREEMENT

Charitable Assignment

A Little Bit of History

Coventry Building Society is proud to be a mutual building society. This means that the Society is owned by its members rather than by external shareholders, as would be the case with a bank. As a result, the Society focuses on serving the interests of its members.

The Society has no plans to convert into a bank. However, in the past there was significant disruption within the building society sector caused by individuals opening accounts primarily in the hope of receiving "conversion benefits", such as a windfall payment, if a building society transferred its business to a company and converted into a bank.

To address this issue, since 1998 the Society has required applicants opening a new share account (for example, a savings account) to agree to a Charitable Assignment Agreement of the type set out below. Under this agreement, if the Society were to transfer its business to a company within five years of the date on which the applicant became a shareholding member, any conversion benefits to which the applicant would otherwise be entitled would instead be assigned to charity.

The five-year period referred to above will only restart if there is a break in a member's shareholding membership of the Society (for example, if all savings accounts are closed and a new account is opened at a later date).

The terms of the agreement are set out below.

Charitable Assignment Agreement

For the purposes of this agreement, **"Society"** means Coventry Building Society and, if it merges with another building society, includes that other society.

This document constitutes a Charitable Assignment Agreement. It sets out the terms under which you agree to assign to the Coventry Building Society Charitable Foundation certain benefits that you might otherwise receive if the Society were to transfer its business to a company.

Please read the terms carefully.

Who Does This Agreement Apply To?

The terms of this agreement apply to you unless one of the following exceptions applies:

1. You were a member of the Society on **2 November 1998** and have remained a member continuously since that date; or
2. You are already a shareholding member of the Society and have previously agreed to a charitable assignment agreement in the same or substantially similar terms, and you have remained a shareholding member continuously since agreeing to that earlier agreement (in which case the earlier agreement continues to apply); or
3. You belong to a special category of individuals that the Society has decided should be excluded from the charitable assignment scheme.

A current list of any excluded groups may be obtained by contacting the Society's Secretary at the Society's principal office. This list may be amended from time to time. Any changes to the list will not affect this agreement, even if you fall within a group added to the list after the agreement is made.

Who Is This Agreement Made With?

This agreement is made between:

- **Coventry Building Society** (the "**Society**"); and
- **Coventry Building Society Charitable Foundation** (the "**Foundation**").

What Do You Agree To Do?

By applying to open a share account (such as a savings account) with the Society, you agree that if the Society enters into an agreement in the future to transfer the whole of its business to a company (for example, as part of a conversion or takeover), you will assign to the Foundation, or to any charity nominated by the Foundation, your rights to any **conversion benefits**.

"**Conversion benefits**" means any benefits that may arise under the terms of a future transfer of the Society's business to a company to which you would otherwise become entitled as a shareholding member or depositor of the Society during the five-year period following the date on which you became a shareholding member.

The five-year period will restart only if there is a break in your shareholding membership of the Society.

Any conversion benefits arising within this five-year period will therefore be assigned to the Foundation (or to any charity nominated by the Foundation).

However, this assignment does **not** apply to your statutory right for the funds held in your share account with the Society to become a deposit with the successor company.

Effect of the Agreement

This agreement means that, without further notice to you:

- you will not receive any relevant conversion benefits;
- the Society may transfer or assign those conversion benefits to the Foundation (or to a charity nominated by the Foundation); and
- the Foundation may exercise all rights relating to those conversion benefits.

This agreement is **irrevocable**. It cannot be withdrawn, amended or cancelled, and neither the Society nor the Foundation will release you from the agreement.

Future Applicants

The Society requires applicants opening share accounts to agree to this condition (or a condition with substantially the same effect). However, the Society may decide and announce by press release that it is no longer in the Society's best interests to require future applicants to agree to such a condition.

If the Society makes such a decision, existing agreements will remain in force and you will continue to be bound by this agreement.

Disclosure of Information

You agree that the Society may provide information about you and your accounts to the Foundation where the Foundation reasonably requires such information in connection with this agreement.

SCHEDULE 2: EXCLUDED INTELLECTUAL PROPERTY

Trademarks registered in the European Union

No.	Trademark
000257196	Word mark: “BRITANNIA”
001676253	Word mark: “SMILE”

SCHEDULE 3: TRANSFERRING SUBSIDIARIES

Company name	**Incorporation and Company Number**	**Number of shares / interest**	**Percentage holding**
Moorland Covered Bonds LLP	England & Wales OC343979		100% owned by Bank
BPS Principal Employer Limited	England & Wales 09891147	1 ordinary share of £1	100% owned by Bank

SCHEDULE 4: ASSOCIATE COMPANIES

Company name	Incorporation and Company Number	Number of shares / interest	Percentage holding
Moorland Covered Bonds Finance Limited	England & Wales 06845373	20 Ordinary shares of £1 each	20% owned by Bank