

Explanatory Statement setting out the terms of the proposed scheme for the transfer of the retail banking, commercial banking and related business of Ulster Bank Limited to National Westminster Bank Plc

1. OVERVIEW

- 1.1 Ulster Bank Limited ("**Ulster**") (the "**Transferor**") proposes to transfer the business of its retail and premier banking division, and the business of the commercial, corporate and business banking division to National Westminster Bank Plc (the "**Transferee**" and together with the Transferor, the "**Parties**") (the "**Transfer**") using a banking business transfer scheme (the "**Scheme**") under Part VII of the Financial Services and Markets Act 2000 ("**FSMA**").
- 1.2 The terms of the Transfer are set out in the scheme document (the "**Scheme Document**") which has been submitted to the High Court of Northern Ireland (the "**Court**") for approval under FSMA.
- 1.3 This Explanatory Statement provides details of the terms of the Scheme, as required by regulation 5(4) of the Financial Services and Markets Act 2000 (Control of Business Transfers) (Requirements on Applicants) Regulations 2001.
- 1.4 Further information about the Scheme and the other key Scheme documents can be obtained from www.ulsterbank.co.uk/transferscheme or from the telephone numbers set out at the end of this Explanatory Statement.
- 1.5 Unless otherwise defined, capitalised terms referred to in this document have the meaning given to it in the Scheme Document.

2. PROCESS

- 2.1 To become effective, the Scheme requires the approval of the Court. It is expected that the final Court hearing to sanction the Scheme (the "**Final Hearing**") will be held on 25 March 2021. The Transferor and the Transferee have made an application to the Court (the "**Application**") and was heard at an initial Court hearing at which the Court made provision for various procedural matters. At the Final Hearing, the Court will consider and, if thought fit, approve the Scheme. The Financial Conduct Authority and Prudential Regulation Authority ("**PRA**") (together the "**Regulators**") are entitled to appear at the Final Hearing and the Transferor and the Transferee have been liaising closely with the Regulators as part of the Scheme process.
- 2.2 Other procedural requirements, which must be met between the date of the Application and the Final Hearing, are as follows:
 - 2.2.1 the Parties must publish a notice stating that the Application has been made. This notice has been approved by the PRA and it is intended that it will be published in the London, Edinburgh and Belfast Gazette, the Irish News, the Belfast Telegraph, The Times and The Daily Mail;
 - 2.2.2 the Parties must provide the Regulators with copies of the Application and this Explanatory Statement; and
 - 2.2.3 the Transferee must obtain from the PRA a certificate of adequacy of financial resources, and must have the requisite regulatory authorisations to carry on the transferred business.
- 2.3 Any person (including any account holder or employee of the Transferee or Transferor) who thinks that he or she would be adversely affected by the carrying out of the Scheme has a right to attend the Final Hearing and express their views, either in person or by legal representative. It would assist the process if anyone intending to do could inform either the Transferor, the Transferee or Pinsent Masons LLP (the solicitors acting for the Transferor and Transferee), in writing at the following addresses:
 - 2.3.1 Ulster Bank Limited, 11-16 Donegall Square East, Belfast, BT1 5UB;

2.3.2 National Westminster Bank Plc, 250 Bishopsgate, London, England, EC2M 4AA; or

2.3.3 Pinsent Masons Belfast LLP, Soloist Building, 1 Lanyon Place, Belfast, BT1 3LP (Ref: 62155.07169/HA06/MB60),

prior to 12 March 2021.

2.4 Any person who alleges that they would be adversely affected by the Scheme but does not intend to attend the Final Hearing may make representations about the Scheme by: (i) writing to the Transferor or Transferee at the addresses given above or (ii) writing to Pinsent Masons LLP at the address above, setting out their reasons why they believe they would be adversely affected. It would assist the process if any such responses are received by UBL, Natwest or Pinsent Masons LLP prior to 12 March 2021.

3. **THE BUSINESS**

The business to be transferred under the Scheme consists of the retail and premier banking, and the commercial, corporate and business banking of the Transferor carried on immediately prior to the Effective Date (the "**Business**"), including the Customer Accounts and all associated activities, rights, undertakings, assets and liabilities relating to the Business.

4. **BUSINESS WHICH MAY BE TRANSFERRED AFTER THE EFFECTIVE DATE**

4.1 The "**Effective Date**" of the Scheme is expected to be 3 May 2021.

4.2 Any part of the Business that for any reason is not transferred on the Effective Date (for example, because the Court does not have jurisdiction to order its transfer) will be retained by the Transferor until it can be transferred to the Transferee. This part of the Business is referred to as the "**Residual Assets**", "**Residual Liabilities**" and "**Residual Items**") in the Scheme. Such later transfer date is referred to as a "**Subsequent Transfer Date**".

4.3 Where relevant, the Scheme document also refers to the "**Relevant Date**". The term "Relevant Date" itself refers to either the Effective Date (in respect of the transfer of the Transferred Assets and Transferred Liabilities) or the Subsequent Transfer Date (in respect of the transfer of any Residual Assets or Residual Liabilities).

5. **TRANSFER OF BUSINESS**

5.1 Under the Scheme and from the Relevant Date, the Business (for the avoidance of doubt, excluding the Excluded Business and the Excluded Contracts, as described at paragraph 6) will be transferred to the Transferee so that:

5.1.1 on and from the Effective Date, each:

(a) asset that will transfer to the Transferee under the Scheme (a "**Transferred Asset**") will transfer to the Transferee, subject to all encumbrances affecting such Transferred Asset; and

(b) liability that will transfer to the Transferee under the Scheme (a "**Transferred Liability**") will transfer to the Transferee, subject to all encumbrances affecting such Transferred Liability; and

5.1.2 On and from each Subsequent Transfer Date, each:

(a) Residual Asset will transfer to the Transferee on the relevant Subsequent Transfer Date, subject to all encumbrances affecting such Residual Asset; and

(b) Residual Liability will transfer to the Transferee on the relevant Subsequent Transfer Date, subject to all encumbrances affecting such Residual Liability.

5.2 The Scheme requires the Transferor and the Transferee to take such steps and execute all documents as are necessary and desirable to effect or perfect the transfer of any Transferred Asset, Transferred Liability, Residual Asset and Residual Liability to the Transferee.

6. EXCLUDED BUSINESS AND EXCLUDED CONTRACTS

6.1 The "**Excluded Business**" will not transfer to the Transferee. The Excluded Business relates to certain ancillary business which is to be excluded from transfer under the Scheme and will be transferred to the Transferee, as appropriate, outside of the Scheme. It comprises:

6.1.1 the business of the Transferor in respect of the issuance and circulation by the Transferor of banknotes in Northern Ireland (the "**Banknote Business**"). The Transferee is, however, authorised to issue banknotes in Northern Ireland by means of a separate statutory instrument passed by Parliament;

6.1.2 any arrangements in connection with payment schemes and any card schemes or other schemes for money transmission or for payment transactions;

6.1.3 any arrangements entered into between the Transferor and the Bank of England relating to the discount window facility provided by the Bank of England;

6.1.4 any arrangement between the Transferor and another financial institution in respect of payment services, or other services in connection with the supply of goods or services to, the Customers or clients of the Transferor or that financial institution;

6.1.5 any arrangements in connection with the Ulster Bank Pension Scheme (UBPS) and Ulster Bank Pension Trustees Limited;

6.1.6 any contract, transaction or arrangement to which only members of the NatWest Group are a party;

6.1.7 any contracts of employment;

6.1.8 any business relating to a Sanctions Customer; and

6.1.9 interests or ownership rights in any entity held by the Transferor.

6.2 The "**Excluded Contracts**" will not transfer to the Transferee. The Excluded Contracts are defined in the Scheme comprise:

6.2.1 any contract or arrangement in relation to or in connection with the Excluded Business;

6.2.2 any contract or arrangement in relation to or in connection with any Intellectual Property Rights;

6.2.3 any terms and conditions with any law firm; and

6.2.4 any other contract or arrangement which the Transferor and Transferee agree in writing will be Excluded Contracts.

7. WRONG POCKETS

7.1 For the period from the Relevant Date until 3 August 2021, the Scheme provides a mechanism for the Transferor and the Transferee to agree (and, where relevant, subject to the notification of any affected Customer) to the transfer to the Transferor or the Transferee (as applicable) of any asset, property, contract or liability that either:

7.1.1 should have formed part of the Business but did not transfer to the Transferee; or

7.1.2 should have formed part of the Excluded Business but it transferred to the Transferee.

8. CONTINUITY OF PROCEEDINGS

- 8.1 Any action or other legal or administrative proceeding or step including arbitration, mediation, adjudication, complaint or claim to any authority or ombudsman (including any complaint or claim to the Financial Ombudsman Service) or other proceedings for the resolution of a dispute or claim by or against the Transferor in relation to the Business, the Transferred Assets, the Transferred Liabilities, the Residual Assets or the Residual Liabilities (but excluding any proceedings in relation to Transferor Land Security Interests or any agreements in respect of Transferor Land Security Interests) will be continued by or against the Transferee. The Transferee will also be entitled to all defences, claims, counterclaims and rights of set-off that would have been available to the Transferor in any such proceedings.
- 8.2 Any action or other legal or administrative proceeding or step including arbitration, mediation, adjudication or other proceedings for the resolution of a dispute or claim (whether current, pending, threatened or otherwise) in respect of a Residual Item will be continued by the Transferor under instructions from the Transferee until the applicable Subsequent Transfer Date for that Residual Item.

9. TRANSFERRED CONTRACTS

- 9.1 Except as provided in the Scheme, every Transferred Contract (for the avoidance of doubt, other than the Excluded Contracts, as described at paragraph 6) will have effect on and from the Relevant Date as if the contract had been made with the Transferee instead of the Transferor.
- 9.2 The Scheme Document sets out general and specific amendments that will be made on and from the Relevant Date in respect of a Transferred Contract.
- 9.3 Any offer made to or by the Transferor prior to the Relevant Date will have effect on and from the Relevant Date as if the offer had been made to or by the Transferee and any agreement, undertaking, mortgage instrument or other document executed as a result of any offer will operate as if it were with or in favour of the Transferee.

10. CUSTOMER ACCOUNTS AND TRANSFERRED LOANS

- 10.1 Any Customer Account with the Transferor in respect of the Business will, on the Relevant Date, become an account between the Transferee and that Customer and subject to the same terms and conditions as applied immediately prior to the Relevant Date.
- 10.2 Save in relation to the Banknote Business, any negotiable instrument, cheque, letter of credit or other similar arrangement relating to any part of the Business drawn on or by, given to, or accepted or endorsed by the Transferor or otherwise payable by the Transferor before or after the Relevant Date will have effect in or from the Relevant Date as if drawn on or by, given to, or accepted or endorsed by the Transferee.
- 10.3 Similarly, any Transferred Loans made to any Customer by the Transferor in respect of the Business on or before the Relevant Date will become Loans made between the Transferee and that Customer.
- 10.4 Any existing mandate given to or by the Transferor in relation to the Business will have effect on and from the Relevant Date as if given to or by the Transferee. The Transferor will retain responsibility for each mandate on and from the Relevant Date to the extent the Transferor continues to hold assets or liabilities in relation to such mandate.
- 10.5 The Scheme Document provides that:
- 10.5.1 unless and until an appropriate licence or consent has been granted to the Transferee, no business relating to a Sanctions Customer will transfer from the Transferor to the Transferee under the Scheme; and

10.5.2 any Transferred Asset, Transferred Liability or Residual Item subject to a Court freezing order will be subject to the same restrictions that applied immediately prior to the Relevant Date and any authority provided by a Customer to the Transferor to provide certain financial or other information to third parties will apply from the Relevant Date as if conferred upon the Transferee.

11. **GUARANTEES AND INDEMNITIES**

Under the terms of the Scheme, on and from the Relevant Date, each Transferred Guarantee/Indemnity Agreement will have effect as if it was made with the Transferee instead of the Transferor and any Liabilities relating to the relevant Transferred Guarantee/Indemnity under such Transferred Guarantee/Indemnity Agreement will be enforceable by the Transferee.

12. **SECURITY**

12.1 Subject to paragraphs 12.2 to 12.4:

12.1.1 any Transferred Security Interest held immediately before the Relevant Date by the Transferor or by a nominee, agent or trustee for the Transferor will, on and from the Relevant Date, be held by, vested in, available to and enforceable to the same extent by the Transferee or the Transferee Nominee; and

12.1.2 any security interest which extends to future advances and liabilities will on and from the Relevant Date be available to the Transferee as security for the payment of future advances and liabilities in all respects as it was available to the Transferor immediately before the Relevant Date.

12.2 Amongst other security interests granted in favour of the Transferor, the Transferor has identified certain security granted in favour of the Transferor and registered at the Northern Irish Land Registry or the Registry of Deeds in Northern Ireland (referred to in the Scheme as the "**Transferor Land Security Interests**").

12.3 At the Effective Date, only the beneficial title to the Transferor Land Security Interests will transfer to the Transferee under the Scheme. The Transferor will, therefore, retain the legal title to the Transferor Land Security Interest subject to the arrangement described at paragraph 12.4.

12.4 A security trust arrangement ("**Security Trust Arrangement**") will be entered into between the Transferor and the Transferee. Under the terms of the Scheme, the Transferor will act as Security Trustee in respect of the legal title to the Transferor Land Security Interests and will hold all legal title in the Transferor Land Security Interests on trust for the Transferee or other persons as applicable.

13. **QUALIFYING DEPOSITS**

13.1 In circumstances where, immediately following the Relevant Date, a Customer (referred to in the Scheme as a "**Qualifying Customer**") holds one or more deposits which fall within the definition of an "eligible deposit" for the purposes of the Depositor Protections Part of the PRA Rulebook (referred to in the Scheme as "**Qualifying Deposits**") (including any Qualifying Deposits transferred pursuant to the Scheme) with a balance in excess of £85,000 (or £170,000 in the case of joint account holders) or such other limit as may apply to Qualifying Customers immediately prior to the Relevant Date ("**FSCS Limit**"), the Transferee will permit, during the period of 3 months following the Relevant Date, such Qualifying Customer to withdraw all, or any part, of any Qualifying Deposits such that the balance of the Qualifying Deposits will equal the greater of:-

13.1.1 the FSCS Limit; or

13.1.2 an amount equal to the aggregate balance (if any) of the Qualifying Deposits that the Qualifying Customer had with the Transferee immediately prior to the Relevant Date,

such withdrawal to take effect as soon as reasonably practicable.

13.2 Any such withdrawal may be made on any Business Day and will not be subject to any penalty, fee or charge that would otherwise apply in accordance with the terms and conditions that applied to the relevant Qualifying Deposit.

14. **CONFIDENTIALITY AND DATA PROTECTION**

14.1 From the Relevant Date, the Transferee will in relation to the Business owe any relevant person the same duties of confidentiality as those which the Transferor owed in relation to the Business immediately prior to the Relevant Date.

14.2 The parties will ensure that all retail data transferred to the Transferee as part of the Business is transferred in compliance with all relevant Data Protection Laws and the Transferee will comply with all Data Protection Laws in handling Personal Data.

14.3 On and from the Relevant Date, the Transferee will have the right to share information within the NatWest Group in relation to a Transferred Asset, a Transferred Liability or (if transferred at a Subsequent Transfer Date) a Residual Item where the Transferor would have had the right immediately prior to the Relevant Date.

15. **DECLARATION OF TRUST**

15.1 Under the terms of the Scheme, any Asset which is not, or is not capable of being, transferred to the Transferee under the Scheme for any of the reasons set out in the Scheme will be held by the Transferor on trust for the Transferee and the parties will procure that the relevant Asset is transferred as soon as reasonably practicable and the trust arrangement will cease upon such transfer.

15.2 Where a Transferred Security Interest or a Transferred Guarantee/Indemnity does not transfer to the Transferee under the Scheme, unless otherwise agreed between the parties, any Assets, Liabilities or Transferred Contracts that are subject to such a Transferred Security Interest or a Transferred Guarantee/Indemnity will also be deemed to not transfer from the Transferor to the Transferee until the date that such Transferred Security Interest or Transferred Guarantee/Indemnity transfers.

15.3 Where a Transferred Contract does not transfer to the Transferee under the Scheme, unless otherwise agreed between the parties, any Transferred Security Interest or Transferred Guarantee/Indemnity granted in connection with such Transferred Contract will also be deemed to not transfer from the Transferor to the Transferee until the date that such Transferred Contract transfers.

15.4 Where an Asset or Liability does not transfer to the Transferee as referred to in paragraphs 15.1 and 15.3 the Transferor will, until the transfer to the Transferee, be subject to the instructions of the Transferee. If the Residual Asset is a contract the Transferee will, until the transfer to the Transferee, perform all obligations of the contract as the Transferor's sub-contractor.

15.5 Any payment, asset, right or benefit that is received by the Transferor on or after the Relevant Date in respect of the Business, a Transferred Asset, a Transferred Liability or a Residual Asset will be paid or transferred to the Transferee as soon as reasonably practicable.

16. **SET-OFF RIGHTS**

16.1 Subject to certain exceptions and the time limits set out at paragraph 16.2, where a Customer has (i) an agreement with the Transferee ("**Existing Transferee Agreement**") prior to the Relevant Date; and (ii) an agreement with (amongst others, as applicable) the Transferor that will transfer to the Transferee under the Scheme ("**Transferred Customer Contract**") or an agreement in respect of a Land Security Interest that will transfer to the Transferee under the Scheme ("**Land Security Agreement**"), the Transferee will, on and from the Relevant Date, not be entitled to:

16.1.1 apply any rights of set-off, which might otherwise be exercisable by the Transferee as a result of the Scheme, by using credit balances held under any Existing Transferee

Agreement to reduce or discharge any liability arising under a Transferred Customer Contract or a Land Security Agreement; or

16.1.2 apply any rights of set-off, which might otherwise be exercisable by the Transferee as a result of the Scheme, by using credit balances held under a Transferred Customer Contract or a Land Security Agreement to reduce or discharge any liability arising under an Existing Transferee Agreement.

16.2 The restrictions set out in paragraph 16.1 will cease to apply in relation to credit balances held under (i) any Existing Transferee Agreement or (ii) any Transferred Customer Contract or a Land Security Agreement as follows:

16.2.1 where the credit balance is at the Relevant Date held for a fixed term, the date that falls 3 months after the expiry of that term;

16.2.2 where the credit balance is at the Relevant Date held on terms that a promotional rate of interest will be lost if the deposit is withdrawn before the end of a certain period, on the date that falls 3 months after the expiry of that period; and

16.2.3 in all other cases, on the date that falls 3 months after the Relevant Date.

17. **ALL MONIES RIGHTS**

17.1 Subject to certain exceptions, the Transferee will, on and from the Relevant Date, not be entitled to:

17.1.1 apply any All Monies Rights, which might otherwise be exercisable by the Transferee as a result of this Scheme, under any Existing Transferee Agreement to secure any liability arising under any Transferred Customer Contract or any Land Security Agreement; or

17.1.2 apply any All Monies Rights, which might otherwise be exercisable by the Transferee as a result of this Scheme, under any Transferred Customer Contract or any Land Security Agreement to secure any liability arising under any Existing Transferee Agreement.

18. **CONSOLIDATION RIGHTS**

18.1 Subject to certain exceptions, the Scheme Document sets out that the Transferee will, on and from the Relevant Date, not be entitled to:

18.1.1 apply any Consolidation Rights, which might otherwise be exercisable by the Transferee as a result of this Scheme, to prevent the release of any Encumbrance given in relation to any Existing Transferee Agreement until any obligations have been satisfied under any Transferred Customer Contract or any Land Security Agreement; or

18.1.2 apply any Consolidation Rights, which might otherwise be exercisable by the Transferee as a result of this Scheme, to prevent the release of any Encumbrance given in relation to any Transferred Customer Contract or any Land Security Agreement until any obligations have been satisfied under any Existing Transferee Agreement.

19. **CROSS-DEFAULT RIGHTS**

19.1 Subject to certain exceptions, the Transferee will, on and from the Relevant Date, not be entitled to:

19.1.1 apply any Cross Default Rights, which might otherwise be exercisable by the Transferee as a result of this Scheme, to accelerate or alter any rights or obligations under any Existing Transferee Agreement as a result of the breach of any Transferred Customer Contract or any Land Security Agreement; or

19.1.2 apply any Cross Default Rights, which might otherwise be exercisable by the Transferee as a result of this Scheme, to accelerate or alter any rights or obligations under any

Transferred Customer Contract or any Land Security Agreement as a result of the breach of any Existing Transferee Agreement.

20. GUARANTEE RIGHTS

20.1 Subject to certain exceptions, the Transferee will, on and from the Relevant Date, not be entitled to:

20.1.1 rely on any Guarantee/Indemnity Rights, which might otherwise be exercisable by the Transferee as a result of this Scheme, under any Existing Transferee Agreement in respect of Liabilities arising under a Transferred Customer Contract or a Land Security Agreement; or

20.1.2 rely on any Guarantee/Indemnity Rights, which might otherwise be exercisable by the Transferee as a result of this Scheme, under any Transferred Guarantee/Indemnity in respect of Liabilities arising under an Existing Transferee Agreement.

21. GENERAL EXISTING AGREEMENT RIGHTS

21.1 Subject to certain exceptions and the time limits set out at paragraph 21.2 the Transferee will, on and from the Relevant Date, not be entitled to apply any other right, benefit or power which might otherwise be exercisable by the Transferee solely by virtue to this Scheme in relation to:

21.1.1 any Existing Transferee Agreement to:

(a) reduce, alter, discharge or otherwise secure liability arising under any Transferred Customer Contract or any Land Security Agreement; or

(b) which would entitle the Transferee not to repay any credit balance or would restrict a Customer from disposing, charging or dealing with any credit balance under a Transferred Customer Contract or a Land Security Agreement, until a liability to the Transferee under the Existing Transferee Agreement has been discharged; or

21.1.2 any Transferred Customer Contract or any Land Security Agreement to:

(a) reduce, alter, discharge or otherwise secure liability arising under any Existing Transferee Agreement; or

(b) which would entitle the Transferee not to repay any credit balance or would restrict a Customer from disposing, charging or dealing with any credit balance under an Existing Transferee Agreement until a liability to the Transferee under the Transferred Customer Contract or the Land Security Agreement has been discharged.

21.2 The restrictions set out in paragraph 21.1 will cease to apply in relation to credit balances held under (i) any Existing Transferee Agreement or (ii) any Transferred Customer Contract or any Land Security Agreement as follows:

21.2.1 where the credit balance is at the Relevant Date held for a fixed term, the date that falls 3 months after the expiry of that term;

21.2.2 where the credit balance is at the Relevant Date held on terms that a promotional rate of interest will be lost if the deposit is withdrawn before the end of a certain period, on the date that falls 3 months after the expiry of that period; and

21.2.3 in all other cases, on the date that falls 3 months after the Relevant Date.

22. ENTIRE AGREEMENT CLAUSES

22.1 Under the terms of the Scheme, where (i) a Transferred Customer Contract or a Land Security Agreement or (ii) an Existing Transferee Agreement contains an entire agreement clause, on and from the Relevant Date:

22.1.1 the Transferred Customer Contract or the Land Security Agreement will be construed as applying only to products or services of the Business and not the Existing Transferee Agreement; and

22.1.2 the Existing Transferee Agreement will be construed as applying only to products or services of the Transferee not relating to the Business and will not apply to the Transferred Customer Contract or the Land Security Agreement.

22.2 Any new customer agreement with the Transferee that contains an entire agreement clause will, unless stated to the contrary, apply in the same manner as paragraph 22.1.2 above.

23. INDEMNITIES IN FAVOUR OF THE TRANSFEROR

23.1 The Transferee will discharge on the Transferor's behalf or, failing that, will indemnify the Transferor against:

23.1.1 charges, liabilities, costs and claims arising in respect of all Transferred Assets and Transferred Liabilities and all Residual Assets and Residual Liabilities which do not transfer by the Scheme until the relevant liability is transferred to the Transferee;

23.1.2 charges, liabilities, costs and claims incurred by the Transferor in acting as Security Trustee in respect of the Transferor Land Security Interests, but only to the extent the Transferor does not have the benefit of an indemnity for any charges, liabilities, costs and claims pursuant to a Security Trust Arrangement;

23.1.3 any amount paid by the Transferor in respect of any liabilities of the Transferor in respect of the Business that are, whether wholly or in part, the subject of a policy of indemnity insurance or a claim or right of recovery against a third party, but only to the extent that the Transferor, having made a claim under such a policy or against such third party, will have failed to recover any such amount using any rights it may have under such policy.

24. CONSEQUENCES OF THE SCHEME

Unless anything contrary in the Court order sanctioning the scheme ("**Order**"), the transfer effected by the Scheme will not invalidate or discharge any security or guarantee, or require further registration or amendment of existing registration in respect of any security or other instrument, or constitute a breach or default under any contractual provision that would prohibit the transfer of any Transferred Asset, Transferred Liability or Residual item to the Transferee, or allow any party to terminate or vary any arrangement when that party would not otherwise have been able to terminate or vary such an arrangement, or afford any party any greater or lesser obligation under any contract that such a party would otherwise have been afforded, or affect the enforceability, priority or ranking of any security, or constitute a breach of any representation, obligation or duty, or enable any person to bring a claim against any person.

25. EFFECTIVE DATE OF THE SCHEME

It is intended that the Scheme will become effective in accordance with the order of the Court at 00:01 a.m. (GMT) on 3 May 2021 or on such other time and date as the Transferor and the Transferee may agree (the "**Effective Date**"). Unless the Scheme becomes operative in its entirety on or before 11.59 p.m. (GMT) on 3 August 2021 or such later date and/or time, if any, as the Court may allow upon the application of the Transferor and the Transferee, it will lapse.

26. **GOVERNING LAW**

The Scheme is governed by Northern Irish law and the parties submit to the exclusive jurisdiction of the Courts of Northern Ireland.

27. **FURTHER INFORMATION**

27.1 **This Explanatory Statement, and the Scheme Document contain important information.** A copy of the Scheme Document and a booklet setting out further information about the Transfer together with some frequently asked questions (the "**Customer Guide**") are available from the following website: www.ulsterbank.co.uk/transferscheme and natwest.com and will be sent free of charge on request from the following telephone numbers:

27.1.1 for Ulster Bank Limited retail customers: 03457 424365 or +44 2890 538 033 (if calling from overseas) (lines are open 24 hours a day, 7 days a week), or

27.1.2 for Ulster Bank Limited commercial customers: 0345 366 5592 or +44 2890 538 459 (if calling from overseas) (lines are open Monday to Friday, 8.30am – 5.30pm).

27.2 If you are in any doubt as to the meaning or import of the contents of this Explanatory Statement, the Customer Guide or the Scheme Document you can contact the Transferor by the methods outlined in the Customer Guide. If you require further advice, you are recommended to seek your own advice from your solicitor or other professional adviser immediately.