

SCHEDULE

The Northern Rock plc Compensation Scheme

PART 2

Determination of amount of compensation

Valuation assumptions

6. In determining the amount of any compensation payable by the Treasury to any person in accordance with paragraphs 3 to 5, it must be assumed (in addition to the assumptions required to be made by section 5(4) of the Act (compensation etc. for securities transferred etc.)) that Northern Rock —

- (a) is unable to continue as a going concern; and
- (b) is in administration.