

**BARCLAYS BANK PLC**

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**DEED POLL**

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1 Churchill Place  
Canary Wharf  
London  
E14 5HP  
UK

23 June 2016

barclays.com

Mr Matthew Bowmer  
Director of Finance  
Northamptonshire County Council  
County Hall  
Northampton  
Northamptonshire  
NN1 1AN

Dear Mr Bowmer,

We are writing to you in relation to your lender option, borrower option ("LOBO") loans with Barclays Bank PLC ("Barclays") (the "Loans") and a decision that we have taken to waive our right to change the applicable interest rate of your Loans in the future. We enclose such waivers with this letter.

As a result of this waiver, your Loans effectively become fixed rate loans at their current interest rates with their stated maturities and no risk that the rates will be changed in the future. The waiver also means that the break costs for the Loans will be less than they would have been had we retained our right to change the interest rate on your Loans.

Barclays has been exploring ways to create more certainty in respect of the interest rate arrangements we have with our clients. This is to reduce the sensitivity of unpredictable market conditions to our business in order to improve our core capital, which is part of one of our publicly stated strategic objectives. We have also taken into account the changing regulatory environment that we are facing in making this decision.

With these considerations in mind, Barclays has decided to permanently waive its right under the lender's option of the LOBO feature of the Loans to change the applicable interest rate in the future. No other terms or conditions of the Loans are being amended. In particular, the maturities and fixed rates of the Loans will remain the same as they are currently, retaining the original value that the lender's option of the LOBO feature offered you when compared to alternative fixed funding sources available at the time the Loans were entered into.

Barclays remains committed to supporting the Local Authority sector through the provision of banking services and financing, to support communities throughout the UK.

For your information, Barclays is writing to other clients in this sector to waive the lender's option in relation to certain of their LOBO arrangements.

Please contact either your Independent Treasury Advisor or your Barclays Relationship Director should you wish to discuss this letter, the waivers or any restructuring or amendments to your Loans.

Yours sincerely,



Alex Brown  
Managing Director  
Head of Education, Social Housing and Local Authorities

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THIS DEED POLL is made on 23<sup>rd</sup> June 2016

BY:

- (1) **BARCLAYS BANK PLC** (the "**Bank**") in favour of
- (2) **NORTHAMPTONSHIRE COUNTY COUNCIL** (the "**Beneficiary**").

**WHEREAS:**

- (A) The Bank has made a GBP 5,000,000 loan available to the Beneficiary which was drawn on 25 August 2005, with a current interest rate of 3.74% and maturity date of 26 August 2065 under the terms of the local authority loan note instrument number 582 executed by the Beneficiary on 22 August 2005 (the "**Instrument**").
- (B) This deed poll (the "**Deed**") sets out the terms on which the Bank renounces certain of its rights under the Instrument.

**THIS DEED WITNESSES** as follows:

## **1. INTERPRETATION**

1.1 In this Deed, a reference to:

- 1.1.1 any statutory provision or statute includes all modifications thereto and all re-enactments (with or without modification) thereof and all subordinate legislation made thereunder, in each case for the time being in force, except where the context requires otherwise;
- 1.1.2 a person includes a reference to that person's legal personal representatives and successors or to a body corporate, association or partnership;
- 1.1.3 a clause, paragraph or schedule, unless the context otherwise requires, is a reference to a clause or a paragraph of or a schedule to this Deed.

1.2 The headings in this Deed do not affect its interpretation.

1.3 Unless otherwise stated in this Deed, any term defined in the Instrument (or by reference therein) shall have the same meaning in this Deed.

## **2. RENOUNCEMENT OF RIGHTS**

2.1 The Bank hereby agrees that it shall not, at any time after the date of this Deed, exercise its right to increase the interest rate on any Lender's Option Date.

2.2 For the avoidance of doubt, the renouncement by the Bank of the rights specified in paragraph 2.1 is not retrospective and any previously agreed or specified interest rate shall remain in effect notwithstanding paragraph 2.1.

### **3. TRANSFERS**

The Bank hereby agrees that it shall not transfer or assign all or any of its rights under the Instrument without ensuring that the transferee or assignee enters into a deed poll in favour of the Beneficiary in substantially the same form as this deed poll provided that references to "the Bank" in such deed poll shall be references to such transferee or assignee.

### **4. ONGOING RIGHTS**

Save as expressly renounced hereunder, the Bank does not renounce any of its rights under the Instrument and the Instrument shall remain in full force and effect.

### **5. THIRD PARTY RIGHTS**


No person other than the Beneficiary has any right under the Contracts (*Rights of Third Parties*) Act 1999 to enforce any term of this Deed.

### **6. GOVERNING LAW AND JURISDICTION**


- 6.1 This Deed and all non-contractual or other matters or obligations arising out of or in connection with it are governed by, and shall be construed in accordance with, English law.
- 6.2 The courts of England shall have exclusive jurisdiction to settle any dispute arising from or in connection with this Deed including a dispute regarding the existence, validity or termination of this Deed or relating to any non-contractual or other obligation or matter arising out of or in connection with this Deed or the consequences of its nullity.

**IN WITNESS WHEREOF** this Deed has been executed by the Bank and is intended to be and is hereby delivered on the date first above written

Executed as a Deed by )  
**BARCLAYS BANK PLC** )

 Signature of Director  
Alex Brown Name of Director

in the presence of:

 Signature of witness  
CARRISA WILLIAM Name of witness  
1 Churchill Place Address of witness  
Canary Wharf  
London, E14 5HP  
Bank Official Occupation of witness