



Registration of a Charge

Company Name: **ZURICH ASSURANCE LTD**

Company Number: **02456671**



XB8QRROP

Received for filing in Electronic Format on the: **21/07/2022**

Details of Charge

Date of creation: **15/07/2022**

Charge code: **0245 6671 0047**

Persons entitled: **THE PRUDENTIAL INSURANCE COMPANY OF AMERICA**

Brief description:

Contains fixed charge(s).

Contains negative pledge.

Authentication of Form

This form was authorised by: **a person with an interest in the registration of the charge.**

Authentication of Instrument

Certification statement: **I CERTIFY THAT SAVE FOR MATERIAL REDACTED PURSUANT TO S.859G OF THE COMPANIES ACT 2006 THE ELECTRONIC COPY INSTRUMENT DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by: **WILLKIE FARR & GALLAGHER (UK) LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 2456671

Charge code: 0245 6671 0047

The Registrar of Companies for England and Wales hereby certifies that a charge dated 15th July 2022 and created by ZURICH ASSURANCE LTD was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 21st July 2022 .

Given at Companies House, Cardiff on 22nd July 2022

The above information was communicated by electronic means and authenticated by the Registrar of Companies under section 1115 of the Companies Act 2006



Companies House



**THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES**

Execution Version



DATE: 15 July 2022

**INSURER / REINSURER SECURITY ASSIGNMENT
(ALLIANCE AND LEICESTER SECTION)
IN RESPECT OF RIGHTS UNDER THE INSURANCE AGREEMENT**

Between

ZURICH ASSURANCE LTD.

as Assignor

and

THE PRUDENTIAL INSURANCE COMPANY OF AMERICA

as Assignee

and

SANTANDER (UK) GROUP PENSION SCHEME TRUSTEES LIMITED

as trustee of

the Alliance and Leicester Section of the Santander (UK) Group Pension Scheme
as Trustee

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TABLE OF CONTENTS

1.	Definitions and Interpretation	4
	Definitions	4
	Construction.....	6
	Third Party Rights.....	6
2.	Security	6
	Assignment	6
	Assignee Assumes No Obligations	6
	Release / reassignment.....	7
	Acknowledgment of Assignment and Grant of Security	7
3.	Assignor's Warranties and Undertakings	7
	Warranties	7
	Undertakings.....	8
	Acknowledgement: Insurance Agreement and Master Coordination Agreement	9
4.	Further Assurance	9
	Covenant for Further Assurance	9
5.	Power of Attorney.....	10
	Appointment and Powers.....	10
	Delegation	10
	Ratification.....	10
6.	Security Enforcement.....	10
	Time for Enforcement.....	10
	Enforcement Event.....	11
	Power of sale.....	11
	Certificate.....	11
	Assignee's liability.....	11
	Statutory powers	12
7.	Receivers.....	12
	Appointment and Removal	12
	Capacity of Receivers	12
	Statutory powers of appointment.....	12
	Powers of Receivers.....	12
	Consideration	13
	Protection of purchasers.....	13
	Discretions	13
	Exercise by Assignee	13
	Indemnity of Receiver.....	14
8.	Effectiveness of Security	14
	Cumulative Rights	14
	No Waiver.....	14
	Illegality, Invalidity, Unenforceability.....	14
	No liability	14
	Continuing security	14
	Deferral of Assignor's rights	15

	Immediate recourse	16
	Avoidance of Payments	16
	No prejudice.....	16
	Waiver of Defences.....	16
9.	Expenses, Stamp Taxes, Indemnity	17
	Preservation Expenses	17
	Stamp Taxes.....	17
	Payments Free of Deduction.....	17
10.	Application of Proceeds.....	17
11.	Suspense Accounts.....	17
12.	Currency Conversion	18
13.	Calculations and certificates	18
14.	Assignment	18
	Permitted Successors	18
	Successors	18
15.	Notices	18
16.	Waivers and Counterparts.....	18
	Waivers	18
	Counterparts.....	19
17.	Governing Law	19

THIS SECURITY ASSIGNMENT is made by way of deed on 15 July 2022

BETWEEN

- (1) **ZURICH ASSURANCE LTD**, a company registered in England and Wales with registered number 02456671 and whose registered office is at Unity Place, 1 Carfax Close, Swindon, Wiltshire, United Kingdom, SN1 1AP (the “**Assignor**”);
- (2) **THE PRUDENTIAL INSURANCE COMPANY OF AMERICA**, a life insurance company domiciled in the State of New Jersey whose principal place of business is at 751 Broad Street, Newark, New Jersey 07102 (the “**Assignee**”); and
- (3) **SANTANDER (UK) GROUP PENSION SCHEME TRUSTEES LIMITED**, a company incorporated in England and Wales with registered number 03283077 whose registered office is at 201 Grafton Gate East, Milton Keynes, Buckinghamshire, MK9 1AN, United Kingdom, in its capacity as trustee for and on behalf of the Section (the “**Trustee**”).

RECITALS:

- (A) The Assignor is a company authorised to write long-term insurance business in the UK.
- (B) The Assignee is a life insurance and reinsurance company authorised under the laws of the State of New Jersey to write, *inter alia*, long-term reinsurance business.
- (C) The Assignor has entered into the Insurance Agreement with the Trustee, acting in its capacity as trustee for and on behalf of the Alliance and Leicester Section of the Scheme, pursuant to which the Assignor has agreed to insure the Trustee’s longevity and other demographic risks in relation to the Beneficiaries.
- (D) The Assignee has entered into the Reinsurance Agreement with the Assignor to reinsure the longevity and other demographic risks in relation to the Beneficiaries assumed by the Assignor under the Insurance Agreement.
- (E) To secure the prompt and complete payment of any Termination Payment due from the Assignor to the Assignee, the Parties have agreed that the Assignor shall assign and transfer certain rights arising under the Insurance Agreement to the Assignee.

IT IS AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

Definitions

1.1 In this Security Assignment (including the recitals):

“**Assigned Assets**” means the Assigned Insurance Rights and Related Rights, in each case as defined pursuant to Clause 2.1 (*Assignment*);

“**Assigned Insurance Rights**” has the meaning given in Clause 2.1 (*Assignment*);

“**Authorisation**” means an authorisation, consent, approval, resolution, licence, exemption, filing, notarisation or registration;

“**Closing Instrument**” means the instrument titled “*Closing Instrument (Alliance and Leicester Section)*” dated on or about the date hereof between the Trustee, the Credit Support Provider, the Assignor and the Assignee;

“Collateral Rights” means all rights, powers and remedies of the Assignee provided by or pursuant to this Security Assignment, or by law;

“Deferral Event” has the meaning given in Clause 8.7 (*Deferral of Assignor’s rights*);

“Delegate” any delegate or sub-delegate appointed by the Assignee in accordance with this Security Assignment;

“Enforcement Event” has the meaning given in Clause 6.2 (*Enforcement Event*);

“Indemnified Loss” means any liability, damages, cost (including, if applicable, cost of funds), loss (whether in contract or tort or otherwise) or expense (including legal fees) (but always excluding any consequential loss and any loss of profit) and any VAT thereon;

“Insurance Agreement” means the Insurance Terms set out in Schedule 14 (*Insurance Terms*) to the Master Coordination Agreement as incorporated into and amended by Part B to the Closing Instrument;

“Master Coordination Agreement” means the agreement titled “*Amended and Restated Master Coordination Agreement (Alliance and Leicester Section)*” dated on or about the date hereof between the Trustee, the Credit Support Provider, the Assignor and the Assignee;

“Parties” means the Assignor and the Assignee, each of which is a “**Party**”;

“Preservation Expenses” means all the costs and expenses (including legal fees) reasonably and properly incurred by the Assignee or a Receiver in respect of any actions taken by it pursuant to the provisions of Clause 5 (*Power of Attorney*);

“Receiver” has the meaning given in Clause 7.1 (*Appointment and Removal*);

“Reinsurance Agreement” means the Reinsurance Terms set out in Schedule 15 (*Reinsurance Terms*) to the Master Coordination Agreement as incorporated into and amended by Part C to the Closing Instrument;

“Related Rights” has the meaning given in Clause 2.1 (*Assignment*);

“Secured Reinsurance Obligations” means (a) payment of any Termination Payment payable by the Assignor pursuant to the Reinsurance Agreement, (b) any interest that the Assignor is required to pay in connection with the foregoing under or in respect of the Reinsurance Agreement, and (c) all costs, fees (including legal fees and costs incurred (among other things) in collecting any of the foregoing and enforcing rights against the Assignor hereunder) and other expenses, that the Assignor is hereby or otherwise required to pay in connection with the foregoing pursuant to the Reinsurance Agreement or the Master Coordination Agreement, by law or otherwise;

“Security” means the security created under or pursuant to or evidenced by this Security Assignment; and

“Security Interest” means any mortgage, sub-mortgage, security assignment, charge, sub-charge, pledge, lien, or other encumbrance of any nature whatsoever or security interest of any kind, however created or arising, including anything having the corresponding legal effect to any of the foregoing under the laws of any jurisdiction.

Construction

- 1.2 In this Security Assignment:
- 1.2.1 unless a contrary indication appears in this Security Assignment, terms defined in Annex 1 (*Definitions*) of the Master Coordination Agreement have the same meaning in this Security Assignment;
 - 1.2.2 clauses 1.2 to 1.4 (*Interpretation*) of the Master Coordination Agreement shall, *mutatis mutandis*, be incorporated into this Security Assignment, *provided, however, that* where references are made to (i) the “Insurer”, they shall be read as references to the “Assignor” and (ii) the Reinsurer, they shall be read as references to the Assignee; and
 - 1.2.3 any rights of the Assignee in respect of the Assigned Insurance Rights hereunder shall be taken to include the Related Rights.

Third Party Rights

- 1.3 Unless a contrary intention appears, a person who is not a party to this Security Assignment has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or to enjoy any benefit of any term of this Security Assignment.

2. SECURITY*Assignment*

- 2.1 As continuing security for the prompt and complete payment and discharge when due of the Secured Reinsurance Obligations, the Assignor hereby assigns absolutely by way of security with full title guarantee to the Assignee all of its rights, title, benefits and interest, present and future, in, under and to any Early Termination Payment paid or payable from time to time by the Trustee to the Assignor pursuant to clause 13 (*Termination Payment*) of the Insurance Agreement (the “**Assigned Insurance Rights**”) together with all present and future claims, causes of action, payments and proceeds in respect thereof, any other assets deriving from or relating to those Assigned Insurance Rights and the right to take proceedings to enforce the obligations of the Trustee in respect thereof (the “**Related Rights**”).
- 2.2 To the extent not validly and effectively assigned pursuant to this Clause, the Assignor with full title guarantee and as security for the payment and discharge of the Secured Reinsurance Obligations charges in favour of the Assignee by way of first fixed charge, all the Assigned Insurance Rights and Related Rights.

Assignee Assumes No Obligations

- 2.3 Notwithstanding the assignment referred to in Clause 2.1:
- 2.3.1 the Assignee shall not be under any obligation under the Insurance Agreement and the Assignor shall at all times remain bound by all obligations expressed to be assumed by it in any of the Transaction Documents; and
 - 2.3.2 the Assignor shall remain entitled to exercise all its rights, powers and discretions in respect of the Assigned Insurance Rights under the Insurance Agreement and to receive all notices thereunder, until such time as the Trustee receives notice from the Assignee confirming that an Enforcement Event has occurred and is continuing, when all such rights, powers and discretions in respect of the Assigned Insurance Rights shall be exercisable by, and any notices in respect of the Assigned Insurance Rights shall be given to, the Assignee or as it directs.

Release / reassignment

- 2.4 Upon the Assignee being satisfied that the Secured Reinsurance Obligations have been irrevocably and unconditionally paid or discharged in full, the Assignee shall re-assign, at the request of the Assignor (such reassignment not to be unreasonably withheld or delayed) to the Assignor the Assigned Assets and release all the Security, subject to Clause 8.9 (*Avoidance of Payments*) and without recourse to, or the giving of any representation or warranty by, the Assignee or any of its nominee(s), and the Parties shall each bear their own costs in respect of the same.

Acknowledgment of Assignment and Grant of Security

- 2.5 The Trustee hereby:

2.5.1 acknowledges and consents:

- (a) to the assignment of the Assignor's present and future rights, title, benefit and interest in and to the Assigned Insurance Rights and the Related Rights, all remedies provided for in respect of the Assigned Insurance Rights or, as applicable, the Related Rights or available at law or in equity in relation to the Assigned Insurance Rights or, as applicable, the Related Rights, the right to compel performance of the Assigned Insurance Rights and the Related Rights and all other rights, interests and benefits whatsoever accruing to or for the benefit of the Assignor in respect of the Assigned Insurance Rights and the Related Rights; and
- (b) to the extent the Assigned Insurance Rights and Related Rights have not been validly and effectively assigned pursuant to Clause 2.1, to the Assignor charging in favour of the Assignee, by way of first fixed charge, all the Assigned Insurance Rights and Related Rights;

- 2.5.2 confirms that, other than under the Transaction Documents, it has not received notice of any other charge, assignment or other third party right or interest whatsoever in, of, over, or affecting, the Insurance Agreement; and

- 2.5.3 acknowledges that, upon receipt of notice from the Assignee confirming that an Enforcement Event has occurred and is continuing, all of the Assignor's rights, powers and discretions in respect of the Assigned Insurance Rights under the Insurance Agreement shall be exercisable by, and notices in respect of the Assigned Insurance Rights shall be given to, the Assignee or as it directs.

- 2.6 The Parties and the Trustee acknowledge and agree that, in the event of any conflict between communications received by the Trustee from the Assignor and from the Assignee in relation to this Security Assignment, the communication from the Assignee shall prevail.

3. ASSIGNOR'S WARRANTIES AND UNDERTAKINGS

Warranties

- 3.1 The Assignor makes the following warranties to the Assignee as at the date of this Security Assignment and acknowledges that the Assignee has become a party to this Security Assignment in reliance on these warranties:

3.1.1 No restrictions

There are no restrictions on the Assignor's ability to assign or charge the Assigned Assets pursuant to this Security Assignment, whether contained in the Transaction Documents or in any other document to which the Assignor is a party, or at law.

3.1.2 Non conflict with other obligations

Subject always to the principle that equitable remedies may be granted or refused at the discretion of a court and any limitation of enforcement by laws relating to insolvency, reorganisation and other laws generally affecting the rights of creditors, this Security Assignment constitutes its legally valid, binding and enforceable obligations and the entry into, and the performance by it of the transactions contemplated by, this Security Assignment does not conflict with:

- (a) its constitutional documents; or
- (b) an agreement or instrument binding upon it or any of its assets.

3.1.3 Ranking

The Security is a first ranking Security Interest over the Assigned Assets and is not subject to any prior ranking or *pari passu* security.

3.1.4 Ownership of the Assigned Assets

Subject to the Security, it is the sole legal and beneficial owner of the Assigned Assets free and clear of all Security Interests and has not sold or disposed of or granted any interest in or rights in respect of any of its right, title and interest, in the Assigned Assets and, except to the extent contemplated by any of the Transaction Documents, the Assigned Assets are not subject to any options to purchase or similar rights or other restrictions upon disposal which would operate to restrict in any way their disposal or collection by the Assignee should it come to enforce the Security.

3.1.5 No filing or stamp taxes

Under the law of its jurisdiction of incorporation it is not necessary that this Security Assignment be filed, recorded or enrolled with any court or other authority in that jurisdiction or that any stamp, registration or similar tax be paid on or in relation to this Security Assignment other than registration of a certified copy of this Security Assignment at Companies House under section 859A of the Companies Act 2006 and payment of associated fees, which registration, filing and fees will be made and paid within the time period permitted for such registration under such section.

Undertakings**3.2 The Assignor undertakes that it shall:****3.2.1 Authorisations**

Promptly:

- (a) obtain, comply with and do all that is necessary to maintain in full force and effect; and
- (b) supply certified copies to the Assignee of,

any Authorisation required under any law or regulation of its jurisdiction of incorporation to enable it to perform its obligations under this Security Assignment and

to ensure the legality, validity, enforceability or admissibility in evidence in any such jurisdiction of this Security Assignment.

3.2.2 Compliance with Applicable Law

Comply in all material respects with all Applicable Law, non-compliance with which would adversely affect the performance by the Assignor of its obligations, or the exercise by the Assignee of its rights, under this Security Assignment to a material extent.

3.2.3 Disposals and Negative pledge

Not enter into a single transaction or a series of transactions (whether related or not) and whether voluntarily or involuntarily, to sell, transfer or otherwise dispose of the whole or any part of the Assigned Assets and will not create or permit to subsist any Security Interest on any part of the Assigned Assets or otherwise deal with any part of the Assigned Assets, in each case, except as permitted under any of the Transaction Documents.

3.2.4 Not Jeopardise

Except to the extent permitted by the Transaction Documents, not do or permit to be done any act or thing which might materially jeopardise the rights of the Assignee in the Assigned Assets or which might materially and adversely affect or materially diminish the value of the Assigned Assets.

3.2.5 No amendment, waiver or termination

Except to the extent permitted by the Transaction Documents, not amend, novate, supplement, supersede, terminate or waive any of the terms of the Insurance Agreement, in respect of the Assigned Insurance Rights, without the prior written consent of the Assignee.

Acknowledgement: Insurance Agreement and Master Coordination Agreement

- 3.3 Subject to the other provisions of this Security Assignment, the Assignee acknowledges and agrees that prior to the occurrence of an Enforcement Event which is continuing the Trustee shall continue to deal with the Assignor in respect of the Insurance Agreement in the manner contemplated in the Insurance Agreement and the Master Coordination Agreement.

Exercise of Assigned Assets

- 3.4 Prior to the occurrence of an Enforcement Event and the Assignee giving a notice to the contrary to the Trustee (informing the Trustee that an Enforcement Event has occurred and is continuing and instructing the Trustee that the Assigned Assets shall thereafter be exercisable by the Assignee), subject to the terms of this Security Assignment the Assignor shall remain entitled to exercise the Assigned Assets.

4. FURTHER ASSURANCE

Covenant for Further Assurance

- 4.1 The Assignor shall promptly upon being required to do so by the Assignee at its own cost do all such acts or execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Assignee may reasonably specify (and in such form as the Assignee may reasonably require in favour of the Assignee or its nominee(s)) for the purpose of:
- (i) perfecting or preserving the Security created or intended to be created in respect of the

Assigned Assets (which may include the execution by the Assignor of a mortgage, charge or assignment over the rights which are or are intended to form part of the Assigned Assets); or (ii) facilitating the realisation of the Assigned Assets which are intended to be the subject of the Security.

5. POWER OF ATTORNEY

Appointment and Powers

5.1 In the event that the Assignor fails for any reason to perform any of its obligations under this Security Assignment, the Assignor, by way of security for the performance of the Secured Reinsurance Obligations and the Assignor's obligations under this Security Assignment, irrevocably appoints the Assignee and any Receiver severally to be its attorney and in its name, on its behalf and to execute, deliver and perfect all documents and do all things that the attorney may consider to be required or desirable for:

- 5.1.1 carrying out any obligation imposed on the Assignor by or pursuant to this Security Assignment which it has failed to perform when obliged to do so (including the execution and delivery of any deeds, charges, assignments or other security and any transfers of the assets subject to the Security);
- 5.1.2 enabling the Assignee and any Receiver to exercise, or delegate the exercise of, any of the rights, powers and authorities conferred on them by or pursuant to this Security Assignment or by law;
- 5.1.3 enabling the Assignee and any Receiver to exercise, or delegate the exercise of, all or any of the Collateral Rights; or
- 5.1.4 the making of any claim pursuant to the Assigned Insurance Rights to the extent that such claim is required in order to validate or render due and/or payable any amount in respect of such Assigned Insurance Rights.

Delegation

5.2 Each of the Assignee and any Receiver shall have full power to delegate the power conferred on it or him by Clause 5.1 (*Appointment and Powers*).

Ratification

5.3 The Assignor ratifies and confirms (and agrees to ratify and confirm) all things done and all documents executed by any attorney in the proper and lawful exercise or purported exercise of its or his powers.

6. SECURITY ENFORCEMENT

Time for Enforcement

6.1 Following the occurrence of an Enforcement Event which is continuing the Security is immediately enforceable and the Assignee may without notice to the Assignor or prior authorisation from any court, in its absolute discretion:

- 6.1.1 exercise its powers in respect of all or any part of the Assigned Assets;
- 6.1.2 secure and perfect its title to all or any part of the Assigned Assets or otherwise exercise in relation to the Assigned Assets all the rights of an absolute owner;

- 6.1.3 enforce all or any part of the Security (at the times, in the manner and on the terms it thinks fit) and appropriate, hold, sell, or otherwise dispose of all or any part of the Assigned Assets (at the time, in the manner and on the terms it thinks fit);
- 6.1.4 whether or not it has appointed a Receiver, exercise all or any of the powers, authorities and discretions conferred by the Law of Property Act 1925 (as varied or extended by this Security Assignment) on mortgagees and by this Security Assignment on any Receiver or otherwise conferred by law on mortgagees or receivers; and
- 6.1.5 collect, recover or compromise, and give good discharge for any moneys paid or payable to the Assignor under or in respect of the Assigned Assets, and enforce (in any way whatsoever, including making any claim for insurance, but excluding by way of instituting proceedings in the Assignor's name) any rights or claims arising under or in respect of the Assigned Assets.

Enforcement Event

- 6.2 The Security shall be enforceable upon the occurrence of a failure by the Assignor to pay and discharge the whole or any part of any Early Termination Payment when due and payable by the Assignor to the Assignee pursuant to the terms of clause 12.2.1 of the Reinsurance Agreement in circumstances where such failure is as a result of a failure by the Trustee to pay or cause to be paid to the Assignee, pursuant to the operation of the provisions of clauses 15.4.1(b) (*Settlement of the Provisional Early Termination Payments*) and 15.7.1(b) (*Settlement of Termination Payment Adjustment Amount*) of the Master Coordination Agreement, the whole or any part of any amount which is owing to the Assignor, in respect of any Early Termination Payment, when due and payable in accordance with clause 13 (*Termination Payment*) of the Insurance Agreement (an "Enforcement Event").

Power of sale

- 6.3 The power of sale or other disposal conferred on the Assignee and on any Receiver by this Security Assignment shall operate as a variation and extension of the statutory power of sale under section 101 of the Law of Property Act 1925 and such power shall arise (and the Secured Reinsurance Obligations shall be deemed due and payable for that purpose) on execution of this Security Assignment.
- 6.4 The restrictions contained in sections 93 and 103 of the Law of Property Act 1925 shall not apply to this Security Assignment or to the exercise by the Assignee of its right to consolidate all or any of the security created by or pursuant to this Security Assignment with any other security in existence at any time or to its power of sale, which powers may be exercised by the Assignee without notice to the Assignor on or at any time following the occurrence of an Enforcement Event.

Certificate

- 6.5 A certificate in writing by an officer or agent of the Assignee that the power of sale or disposal has arisen and is exercisable shall be conclusive evidence of that fact, in favour of a purchaser of all or any part of the Assigned Assets.

Assignee's liability

- 6.6 Neither the Assignee, any Delegate nor any Receiver shall be liable to account as mortgagee or mortgagee in possession in respect of the Assigned Assets or, save to the extent caused by its wilful default, gross negligence or fraud, be liable for any cost, loss or liability upon realisation

or for any neglect or default of any nature whatsoever in connection with the Assigned Assets. The Assignor shall remain liable to perform all of its obligations under the Insurance Agreement.

Statutory powers

- 6.7 The powers conferred by this Security Assignment on the Assignee are in addition to and not in substitution for the powers conferred on mortgagees and mortgagees in possession under the Law of Property Act 1925, the Insolvency Act 1986 or otherwise by law and in the case of any conflict between the powers contained in any such Act and those conferred by this Security Assignment the terms of this Security Assignment will prevail.

7. RECEIVERS

Appointment and Removal

- 7.1 After this Security Assignment becomes enforceable in accordance with Clause 6 (*Security Enforcement*), the Assignee may by deed or otherwise (acting through an authorised officer of the Assignee), without prior notice to the Assignor:

- 7.1.1 appoint one or more persons to be a receiver or receiver and manager of the whole or any part of the Assigned Assets;
 - 7.1.2 remove (so far as it is lawfully able) any receiver so appointed; and
 - 7.1.3 appoint another person(s) as an additional or replacement receiver(s),
- (any receiver appointed pursuant to Clauses 7.1.1 or 7.1.3 above, a “**Receiver**”).

Capacity of Receivers

- 7.2 Each person appointed to be a Receiver pursuant to Clause 7.1 (*Appointment and Removal*) shall be:
- 7.2.1 entitled to act individually or together with any other person appointed or substituted as Receiver;
 - 7.2.2 for all purposes deemed to be the agent of the Assignor which shall be solely responsible for his acts, defaults and liabilities and for the payment of his remuneration and no Receiver shall at any time act as agent for the Assignee; and
 - 7.2.3 entitled to remuneration for his services at a rate to be fixed by the Assignee from time to time (without being limited to the maximum rate specified by the Law of Property Act 1925).

Statutory powers of appointment

- 7.3 The powers of appointment of a Receiver shall be in addition to all statutory and other powers of appointment of the Assignee under the Law of Property Act 1925 (as extended by this Security Assignment) or otherwise and such powers shall remain exercisable from time to time by the Assignee in respect of any part of the Assigned Assets.

Powers of Receivers

- 7.4 Every Receiver shall (subject to any restrictions in the instrument appointing him but notwithstanding any winding-up or dissolution of the Assignor) have and be entitled to exercise, in relation to the Assigned Assets in respect of which he was appointed, and as varied and extended by the provisions of this Security Assignment (in the name of or on behalf of the Assignor or in his own name and, in each case, at the cost of the Assignor):

- 7.4.1 all the powers conferred by the Law of Property Act 1925 on mortgagors and on mortgagees in possession and on receivers appointed under that Act;
- 7.4.2 all the powers and rights of an absolute owner and power to do or omit to do anything which the Assignor itself could do or omit to do;
- 7.4.3 the power to delegate (either generally or specifically) the powers, authorities and discretions conferred on him by this Security Assignment (including the power of attorney) on such terms and conditions as he shall see fit (and shall be able to disclose any Confidential Information to such delegate) which delegation shall not preclude either the subsequent exercise or any subsequent delegation or any revocation of such power, authority or discretion by the Receiver itself; and
- 7.4.4 the power to do all things (including bringing or defending proceedings in the name or on behalf of the Assignor) which seem to the Receiver to be incidental or conducive to:
 - (a) any of the functions, powers, authorities or discretions conferred on or vested in him;
 - (b) the exercise of any of the Collateral Rights (including realisation of all or any part of the Assigned Assets); or
 - (c) bringing to his hands any assets of the Assignor forming part of, or which when got in would be, the Assigned Assets.

Consideration

- 7.5 The receipt of the Assignee or any Receiver shall be a conclusive discharge to a purchaser and, in making any sale or disposal of any of the Assigned Assets or making any acquisition, the Assignee or any Receiver may do so for such consideration, in such manner and on such terms as it or he thinks fit.

Protection of purchasers

- 7.6 No purchaser or other person dealing with the Assignee, a Delegate or any Receiver shall be bound to inquire whether the right of the Assignee, the Delegate or such Receiver to exercise any of its or his powers has arisen or become exercisable or be concerned with any propriety or regularity on the part of the Assignee, the Delegate or such Receiver in such dealings, or need to inquire whether any money remains due in connection with the Secured Reinsurance Obligations.
- 7.7 All the protection afforded to purchasers contained in Sections 104, 107 and 109 of the Law of Property Act 1925, Section 42(3) of the Insolvency Act 1986 (where a Receiver is an administrative receiver) or in any other applicable legislation shall apply to any person purchasing from or dealing with the Assignee, a Delegate or any Receiver.

Discretions

- 7.8 Any liberty or power which may be exercised or any determination which may be made under this Security Assignment by the Assignee, Delegate or any Receiver may be exercised or made in its absolute and unfettered discretion without any obligation to give reasons.

Exercise by Assignee

- 7.9 To the fullest extent permissible under law, the Assignee may exercise any right or power that the Receiver may exercise in relation to the enforcement of this Security Assignment and the Security.

Indemnity of Receiver

- 7.10 The Assignee shall indemnify and keep indemnified the Receiver in full against any Indemnified Loss which it incurs, otherwise than by reason of its wilful default, gross negligence or fraud, in respect of:
- 7.10.1 the performance by the Receiver of its obligations under this Security Assignment or any document or arrangement entered into between the Assignor and such Receiver;
 - 7.10.2 anything done or purported to be done by the Receiver under this Security Assignment, or the other documents referred to in Clause 7.10.1 (*Indemnity of Receiver*) or anything omitted to be done by the Receiver thereunder; and
 - 7.10.3 the exercise or attempted exercise by or on behalf of the Receiver of any of its powers, discretions or determinations or any other actions taken by the Receiver with a view to or in connection with enforcing on behalf of the Assignee its rights under this Security Assignment.

8. EFFECTIVENESS OF SECURITY*Cumulative Rights*

- 8.1 The Security and the Collateral Rights shall be cumulative, in addition to and independent of every other security which the Assignee may at any time hold for the Secured Reinsurance Obligations or any rights, powers and remedies provided by law. No prior security held by the Assignee over the whole or any part of the Assigned Assets shall merge into the Security.

No Waiver

- 8.2 No failure to exercise, nor any delay in exercising, on the part of the Assignee, any right or remedy under this Security Assignment shall operate as a waiver of any such right or remedy or constitute an election to affirm this Security Assignment or the Transaction Documents. No single or partial exercise of any right or remedy shall preclude any further or other exercise of that right or remedy or the exercise of any other right or remedy of the Assignee. The rights and remedies are cumulative and not exclusive of any rights or remedies provided by law.

Illegality, Invalidity, Unenforceability

- 8.3 If, at any time, any provision of this Security Assignment is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions of this Security Assignment nor the legality, validity or enforceability of such provision under the law of any other jurisdiction shall in any way be affected or impaired.

No liability

- 8.4 None of the Assignee, its nominee(s), any Delegate or any Receiver shall be liable by reason of (a) taking any action permitted by this Security Assignment or (b) any neglect or default in connection with the Assigned Assets or (c) the taking possession or realisation of all or any part of the Assigned Assets, except in the case of fraud, gross negligence or wilful default upon its part.

Continuing security

- 8.5 The Security is a continuing security and shall remain in full force and effect as a continuing security for the Secured Reinsurance Obligations but shall secure the ultimate balance of the Secured Reinsurance Obligations until released or discharged by the Assignee.

- 8.6 No part of the Security shall be considered satisfied or discharged by any intermediate payment, discharge or satisfaction of the whole or any part of the Secured Reinsurance Obligations.

Deferral of Assignor's rights

- 8.7 Until all amounts which may be or become payable by the Assignor under or in connection with the Secured Reinsurance Obligations or this Agreement have been irrevocably paid in full and all agreements or documents which might give rise to Secured Reinsurance Obligations have terminated and unless the Assignee otherwise directs, the Assignor will not exercise any rights which it has, under any Applicable Law or as a matter of contract, as a direct result of the performance by it of its obligations under this Security Assignment or as a direct result of any amount being paid by the Assignee, or liability of the Assignee arising, under this Security Assignment (any such performance, making of payment or liability arising being a "Deferral Event"):

- 8.7.1 to be indemnified by, or to claim any contribution from any other provider of Security for or guarantor of its or any other Party's obligations under this Security Assignment;
- 8.7.2 to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Assignee under this Security Assignment or of any other guarantee or security taken pursuant to, or in connection with, the Transaction Documents by the Assignee;
- 8.7.3 to bring legal or other proceedings for an order requiring any person to make any payment, or perform any obligation, in respect of which that person had given a guarantee, undertaking or indemnity pursuant to, or in connection with, the Transaction Documents (but, for the avoidance of doubt, only to the extent that the making of any such payment or the performance of any such obligation by such person would, but for this Clause 8.7, arise in respect of a Deferral Event and, accordingly, this Clause 8.7 shall not prejudice any rights which the Assignor has to bring such legal or other legal proceedings in respect of any other obligation or liability of such person (including, but not limited to, the Trustee and the Assignee) to the Assignor (whether pursuant to, or in connection with, the Transaction Documents, or otherwise));
- 8.7.4 to exercise any right of set-off against any person (but, for the avoidance of doubt, only to the extent that the Assignor would, but for this Clause 8.7, have a right of set-off against that person in respect of the occurrence of a Deferral Event and, accordingly, this Clause 8.7 shall not prejudice any rights which the Assignor has to exercise any right of set-off against any such person in respect of any other obligation or liability of such person (including, but not limited to, the Trustee and the Assignee) to the Assignor (whether pursuant to, or in connection with, the Transaction Documents, or otherwise)); and/or
- 8.7.5 to claim or prove as a creditor of any person in competition with the Assignee (but, for the avoidance of doubt, only to the extent that the Assignor would, but for this Clause 8.7, have a claim or right of proof against such person in respect of the occurrence of a Deferral Event and, accordingly, this Clause 8.7 shall not prejudice any rights which the Assignor has to make a claim or prove as a creditor, in competition with the Assignee, in respect of any other obligation or liability of such person (including, but not limited to, the Trustee and the Assignee) to the Assignor (whether pursuant to, or in connection with, the Transaction Documents, or otherwise)).

If the Assignor receives any benefit, payment or distribution in relation to such rights it shall promptly pay or transfer the same to the Assignee or as the Assignee may direct for application in accordance with Clause 10 (*Application of proceeds*).

Immediate recourse

- 8.8 The Assignor waives any right it may have of first requiring the Assignee to proceed against or enforce any other rights or security or claim payment from any person before claiming from the Assignor under this Security Assignment. This waiver applies irrespective of any law or any provision of this Security Assignment to the contrary.

Avoidance of Payments

- 8.9 Notwithstanding Clause 2.4 (*Release / reassignment*) if the Assignee reasonably considers that any amount paid or credited to it is capable of being avoided or reduced by virtue of any bankruptcy, insolvency, liquidation or similar laws, the liability of the Assignor under this Security Assignment and the Security shall continue or be reinstated (as if any discharge or release had not occurred) and that amount shall not be considered to have been irrevocably paid.

No prejudice

- 8.10 The Security and the Collateral Rights shall not be prejudiced by any unenforceability or invalidity of any other agreement or document or by any time or indulgence granted to the Assignor or any other person by the Assignee or by any other thing which might otherwise prejudice the Security or the Collateral Rights.

Waiver of Defences

- 8.11 The obligations of the Assignor under this Security Assignment shall not be affected by any act, omission or circumstance which, but for this provision, might operate to reduce, release, prejudice or otherwise exonerate the Assignor from its obligations under this Security Assignment or affect such obligations including (but without limitation) and whether or not known to the Assignor or the Assignee:
- 8.11.1 any time or indulgence granted to or composition with the Assignor or any other person;
 - 8.11.2 the variation, extension, compromise, renewal or release of, or refusal or neglect to perfect or enforce, any terms of or security over the Transaction Documents (and the Assignor confirms it intends the Security to extend from time to time to any (however fundamental) variation, increase, extension or addition of or to any Transaction Documents or documents contemplated thereby);
 - 8.11.3 any irregularity, invalidity or unenforceability of any obligations of the Assignor under the Transaction Documents or any present or future law or order of any government or authority (whether of right or in fact) purporting to reduce or otherwise affect any of such obligations to the intent that the Assignor's obligations under this Security Assignment shall remain in full force and this Security Assignment shall be construed accordingly as if there were no such irregularity, unenforceability, invalidity, law or order;
 - 8.11.4 the release of the Assignor or any other person under the terms of any composition or arrangement with any creditor of the Assignor;
 - 8.11.5 any Insurer Insolvency Event;
 - 8.11.6 any Reinsurer Insolvency Event; or

- 8.11.7 any legal limitation, disability, incapacity or other circumstance relating to the Assignor, any guarantor or any other person or any amendment to or variation of the terms of the Transaction Documents.

9. EXPENSES, STAMP TAXES, INDEMNITY

Preservation Expenses

- 9.1 The Assignor shall, within three (3) Business Days of demand pay to the Assignee any related Preservation Expenses on a full indemnity basis.

Stamp Taxes

- 9.2 The Assignee shall pay all stamp, registration and other taxes to which this Security Assignment, the Security or any judgment given in connection with it is or at any time may be subject.

Interest on Demands

- 9.3 If the Assignor fails to pay any sum to be paid to the Assignee under this Security Assignment on the due date for payment of that sum the Assignor shall pay interest on any such sum (before and after any judgment and to the extent interest at a default rate is not otherwise being paid on such sum) from the date of demand until the date of payment calculated on a daily basis at the Default Rate.

Payments Free of Deduction

- 9.4 All payments to be made to the Assignee under this Security Assignment shall be made free and clear of and without deduction for or on account of tax unless the Assignor is required to make such payment subject to the deduction or withholding of tax, in which case the sum payable by the Assignor in respect of which such deduction or withholding is required to be made shall be increased to the extent necessary to ensure that, after the making of such deduction or withholding, the person on account of whose liability to tax such deduction or withholding has been made receives and retains (free from any liability in respect of any such deduction or withholding) a net sum equal to the sum which it would have received and so retained had no such deduction or withholding been made or required to be made.

10. APPLICATION OF PROCEEDS

- 10.1 All moneys received or recovered by the Assignee, Delegate or any Receiver pursuant to this Security Assignment or the powers conferred by it shall (subject to the claims of any person having prior rights thereto and by way of variation of the provisions of the Law of Property Act 1925) be applied first in the payment of the costs, charges and expenses incurred and payments made by the Receiver, the payment of his remuneration and the discharge of any liabilities incurred by the Receiver in, or incidental to, the exercise of any of his powers and thereafter shall be applied by the Assignee (notwithstanding any purported appropriation by the Assignor) as the Assignee shall think fit in the discharge of the Secured Reinsurance Obligations.

11. SUSPENSE ACCOUNTS

- 11.1 All moneys received, recovered or realised by the Assignee (or any Receiver or delegate on its behalf) under this Security Assignment (including the proceeds of any conversion of currency) may in the discretion of the Assignee (or any Receiver or delegate on its behalf) be credited to any interest bearing suspense or impersonal account maintained with any bank, building society or financial institution which it considers appropriate pending the application of such monies from time to time in or towards the discharge of any of the Secured Reinsurance Obligations, provided,

however, that if the Secured Reinsurance Obligations have been determined and are not in dispute, such amounts shall be applied towards the Secured Reinsurance Obligations immediately and any monies in excess of the amount of the Secured Reinsurance Obligations shall be returned to the Assignor as soon as practicable.

12. CURRENCY CONVERSION

- 12.1 For the purpose of or pending the discharge of any of the Secured Reinsurance Obligations, the Assignee (or any Receiver or delegate on its behalf) may convert any moneys received, recovered or realised or subject to application by it or any Receiver under or pursuant to this Security Assignment from one currency to another, as the Assignee (or any Receiver or delegate on its behalf) thinks fit (acting reasonably) and any such conversion shall be effected at the spot rate of exchange for the time being (as determined by the Assignee (or any Receiver or delegate on its behalf)) for obtaining such other currency with the first currency and the Secured Reinsurance Obligations shall be discharged only to the extent of the net proceeds of such conversion received by the Assignee (or any Receiver or delegate on its behalf).

13. CALCULATIONS AND CERTIFICATES

- 13.1 Any certification or determination by the Assignee of a rate or amount in relation to any sum to be paid to the Assignee under this Security Assignment is, in the absence of a manifest or proven error, conclusive evidence of the matters to which it relates.

14. ASSIGNMENT

Permitted Successors

- 14.1 This Security Assignment shall be binding upon and shall inure to the benefit of each Party and its direct or subsequent legal successors.

Successors

- 14.2 This Security Assignment shall remain in effect despite any amalgamation or merger (however effected) relating to the Assignee or the Assignor; and references to the Assignee or the Assignor shall include any assignee or successor in title of the Assignee or the Assignor and any person who, under the laws of its jurisdiction of incorporation or domicile, has assumed the rights and obligations of the Assignee or the Assignor under this Security Assignment or to which, under such laws, those rights and obligations have been transferred.

15. NOTICES

- 15.1 The Parties agree that any notice served under or in connection with this Security Assignment shall comply with the requirements of clause 27.1 of the Master Coordination Agreement.

16. WAIVERS AND COUNTERPARTS

Waivers

- 16.1 Except as provided for in this Security Assignment:
- 16.1.1 any failure by a Party to exercise or delay in exercising a right or remedy provided by this Security Assignment or by law will not impair or constitute a waiver of that or any other right or remedy or constitute an election to affirm;
 - 16.1.2 no single or partial exercise of a right or remedy provided by this Security Assignment or by law will prevent any further exercise of that or any other right or remedy;

- 16.1.3 a waiver of any right, remedy, breach or default will only be valid if it is in writing and signed by an authorised signatory of the Party giving it and only in the circumstances and for the purpose for which it was given and will not constitute a waiver of any other right, remedy, breach or default; and
- 16.1.4 the Parties' rights and remedies contained in this Security Assignment are cumulative and not exclusive of rights or remedies provided by law.

Counterparts

- 16.2 This Security Assignment may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of this Security Assignment.

17. GOVERNING LAW

- 17.1 This Security Assignment, and any dispute or claim arising out of or in connection with it or its subject matter or formation, including non-contractual disputes or matters shall be governed by and construed in accordance with the laws of England and Wales.
- 17.2 Each of the Parties and the Trustee irrevocably agrees that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim arising out of or in connection with this Security Assignment or its subject matter or formation, including any non-contractual disputes or claims.
- 17.3 The provisions of Clause 25.2 of the Master Coordination Agreement shall apply *mutatis mutandis*.

THIS SECURITY ASSIGNMENT has been executed as a deed by the Assignor, the Assignee and the Trustee and is intended to be and is hereby delivered by each of the Assignor, the Assignee and the Trustee as a deed on the date specified above.

THE ASSIGNOR

EXECUTED and delivered as a DEED by)
ZURICH ASSURANCE LTD)
acting by)
Alex Koslowski (CEO and Director))
)
and)
)
Cindy Sweeney)
duly authorised by Zurich Corporate Secretary)
(UK) Limited to sign on its behalf as secretary of)
ZURICH ASSURANCE LTD)
)

DocuSigned by:
[Redacted Signature]
156F65F93508491...
Director
DocuSigned by:
[Redacted Signature]
062E9780028C406...
On behalf of Corporate Secretary

THE ASSIGNEE

EXECUTED and delivered as a DEED by

DocuSigned by:
[Redacted Signature]
1145446E75194A6...
Name: **David Lang**
Title: **Vice President**
In: **Avon CT USA**
Date: **15 July 2022**

For and on behalf of **THE PRUDENTIAL INSURANCE COMPANY OF AMERICA**

THE TRUSTEE

EXECUTED and delivered as a DEED by)
SANTANDER (UK) GROUP PENSION)
SCHEME TRUSTEES LIMITED
as Trustee of the Alliance and Leicester Section)

acting by:

Name Director

..... Amaya Mazaira

Signature of Director

DocuSigned by:
.....
.....1EAC5FFDFE004F2...

Name Director

..... David Green

Signature of Director

DocuSigned by:
.....
.....E6BFF4DC6D154E2...