



BANK OF ENGLAND

News release

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Northern Rock plc Deposits

Tripartite Statement by HM Treasury, Bank of England and Financial Services Authority

HM Treasury, on behalf of the Tripartite Authorities, can today confirm that the guarantee arrangements previously announced to protect existing depositors of Northern Rock plc will be extended to all new retail deposits made after 19 September, including those made from today. These arrangements will cover all retail deposits including future interest payments, movements of funds between accounts and term deposits for the duration of their term.

These arrangements will be complemented by additional facilities through the Bank of England.

The arrangements and revised facilities have been put in place at the request of Northern Rock plc. They will allow the Company to continue to pursue the full range of its strategic options.

Northern Rock plc will pay an appropriate fee for the extension of the arrangements which is designed to ensure it does not receive a commercial advantage. As previously announced, the arrangements to protect depositors of Northern Rock plc will remain in place during the current instability in the financial markets.

Banking Reform - Protecting Depositors: a discussion paper - October 2007

Published jointly by HM Treasury, the Financial Services Authority and the Bank of England

<http://www.bankofengland.co.uk/publications/Documents/other/financialstability/banking-reform071011.pdf>