



INTERNATIONAL
SECURITIES
LENDING
ASSOCIATION

GLOBAL MASTER SECURITIES LENDING AGREEMENT

2014 UK TAX ADDENDUM

(For use with the GMSLA 2000)

We hereby agree that the attached Global Master Securities Lending Agreement dated [date] (the *Agreement*) shall as from the date of this Addendum be subject to the following and supplemental terms:-

1. DISAPPLICATION OF PREVIOUS ADDENDUM

1.1 [The UK tax addendum dated [[date]]*/ [any previous UK tax addendum or equivalent or similar provision]* (the *Previous Addendum*) shall no longer apply insofar as it relates to the UK income tax treatment of any payment.

**delete / complete as appropriate*

1.2 For the avoidance of doubt, any undertaking made in the Agreement or the Previous Addendum pursuant to which a Party undertakes to notify the other Party about its status as an approved UK intermediary or an approved UK collecting agent shall no longer apply.

2. APPLICATION OF THIS ADDENDUM

The remaining provisions of this Addendum shall apply in relation to any payment made by Borrower or Lender under paragraph 6.1 where:

- (a) Borrower, in relation to any payment made by Borrower under paragraph 6.1, or Lender, in relation to any payment made by Lender under paragraph 6.1, is either UK resident (except where the payment is an Exempt Branch Payment) or makes such payment in the course of a trade carried on in the UK through a branch or agency; and
- (b) the Loaned Securities or Non-Cash Collateral (as the case may be) are REIT Shares, Net Paying UK Securities or PAIF Shares.

3. MANUFACTURED PAYMENTS

3.1 Paragraph 6.1 of the Agreement shall take effect as if it had been replaced by the following sub-paragraphs.

- (i) Where Income is paid in relation to any Loaned Securities or Collateral (other than Cash Collateral) on or by reference to an Income

Payment Date Borrower, in the case of Loaned Securities, and Lender, in the case of Collateral, shall, on the date of the payment of such Income, or on such other date as the Parties may from time to time agree, (the “**Relevant Payment Date**”) pay and deliver a sum of money or property equivalent to the type and amount of such Income that, in the case of Loaned Securities, Lender would have been entitled to receive had such Securities not been loaned to Borrower and had been retained by Lender on the Income Payment Date, and, in the case of Collateral, Borrower would have been entitled to receive had such Collateral not been provided to Lender and had been retained by Borrower on the Income Payment Date, unless a different sum is agreed by the parties. Sub-paragraphs (ii) and (iii) below shall apply in relation thereto.

- (ii) Any payment made pursuant to sub-paragraph (i) above shall be made without deduction or withholding for or on account of any Tax unless such deduction or withholding is required by any Applicable Law.
- (iii) When determining whether any deduction or withholding is required under sub-paragraph (ii) above, Borrower, in the case of Loaned Securities, or Lender, in the case of Collateral, shall (in each case acting reasonably) take account of:
 - (a) any warranties made by the other Party under this Addendum; and
 - (b) any relevant documentation, warranty, certification or notice provided by the other Party.

For the purpose of this paragraph 6.1, **Applicable Law** means the laws, rules and regulations (including double taxation conventions) of any relevant jurisdiction, including published practice of any government or other taxing authority in connection with such laws, rules and regulations.

4. APPLICATION OF WARRANTIES

Each Party shall specify in the Schedule to this Addendum which (if any) of paragraphs 5 to 7 below shall apply in relation to it and where or to the extent that no such specification is made it shall be assumed that such paragraphs do not apply in relation to Borrower and/or Lender, as the case may be.

5. MANUFACTURED PAYMENTS: NET PAYING UK SECURITIES

Lender, in relation to any Loan of Net Paying UK Securities, and Borrower, in relation to any Non-Cash Collateral in the form of any Net Paying UK Securities provided, warrants to the other Party on a continuing basis that, unless otherwise notified:

- (a) the person beneficially entitled to any payment made under paragraph 6.1(i) in respect of such Net Paying UK Securities is either:

- (i) a UK resident company; or
 - (ii) a non-UK resident company carrying on a trade in the UK through a permanent establishment which is required to bring any such payment made to it into account in computing its chargeable profits for UK corporation tax purposes; or
- (b) the person beneficially entitled to any payment made under paragraph 6.1(i) in respect of such Net Paying UK Securities is a partnership each member of which is a company mentioned in (a)(i) or (ii) above; or
- (c) the recipient of any payment made under paragraph 6.1(i) in respect of such Net Paying UK Securities is either:
- (i) an ISA Manager or a PEP Manager, or the nominee of such a person, who receives such payment in respect of investments under the plan; or
 - (ii) a scheme administrator of a Registered Pension Scheme.

6. MANUFACTURED PAYMENTS: REIT SHARES

Lender, in relation to any Loan of any REIT Shares, and Borrower, in relation to any Non-Cash Collateral in the form of any REIT Shares, warrants to the other Party on a continuing basis that, unless otherwise notified:

- (a) the person beneficially entitled to any payment made under paragraph 6.1(i) in respect of such shares is either:
- (i) a UK resident company; or
 - (ii) a non-UK resident company carrying on a trade in the UK through a permanent establishment which is required to bring any such payment made to it into account in computing its chargeable profits for UK corporation tax purposes; or
- (b) the recipient of any payment made under paragraph 6.1(i) in respect of such shares is a partnership each member of which is a company mentioned in (a)(i) or (ii) above; or
- (c) the recipient of any payment made under paragraph 6.1(i) in respect of such shares is either a scheme administrator of a Registered Pension Scheme or an ISA Manager or a PEP Manager and (in each case) any such payment is applied for the purposes of the scheme, account or plan in respect of which the recipient has duties.

7. MANUFACTURED PAYMENTS: PAIF SHARES

Lender, in relation to any Loan of any PAIF Shares, and Borrower, in relation to any Non-Cash Collateral in the form of any PAIF Shares, warrants to the other Party on a continuing basis that, unless otherwise notified, the warranties in paragraphs 5 and 6

of this Addendum shall apply in relation to any payment made under paragraph 6.1(i) in respect of such shares as if such paragraphs referred to PAIF Shares.

8. INTERPRETATION

8.1 In this Addendum the following definitions shall apply:

Exempt Branch Payment means a payment where both (i) section 18A of the Corporation Tax Act 2009 has effect in relation to the payer for the accounting period in which the payment is made and (ii) the payment is made in the course of a trade carried on through a permanent establishment in a territory outside the UK;

ISA Manager means the account manager of an account within the meaning of regulation 4(1) of the Individual Savings Account Regulations 1998;

Net Paying UK Securities means securities (including any loan stock or any similar security, but excluding any shares) of the UK government or a local authority (or other public authority) in the UK or a UK resident company or other UK resident body, where such securities are neither gilt-edged securities nor other securities on which interest is payable without deduction of UK income tax;

Non-Cash Collateral means Collateral other than Cash Collateral;

PAIF Shares means shares in an open-ended investment company to which Part 4A of the Authorised Investment Funds (Tax) Regulations 2006 applies;

PEP Manager means the plan manager of a plan within the meaning of regulation 4(1) of the Personal Equity Plan Regulations 1989;

Previous Addendum has the meaning given to it in paragraph 1.1 of this Addendum;

REIT Shares means shares in a company UK REIT or the principal company of a group UK REIT (each as defined in Part 12 of the Corporation Tax Act 2010); and

Registered Pension Scheme means a registered pension scheme for the purposes of Part 4 of the Finance Act 2004.

8.2 Terms to which a defined meaning is given in the Agreement have the same meanings in this Addendum.

8.3 Unless otherwise specified, references to paragraphs in this Addendum are to paragraphs in the Agreement.

8.4 Any reference to a provision of law includes references to that provision as amended, consolidated or re-enacted.

Signed by)
)
Duly authorised for and on)
behalf of)

Signed by)
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Duly authorised for and on)
behalf of)

SCHEDULE

1. PARTY A WARRANTIES

In relation to Party A:

- (a) paragraph 5 of this Addendum [shall/shall not]* apply;
- (b) paragraph 6 of this Addendum [shall/shall not]* apply; and
- (c) paragraph 7 of this Addendum [shall/shall not]* apply.

2. PARTY B WARRANTIES

In relation to Party B:

- (a) paragraph 5 of this Addendum [shall/shall not]* apply;
- (b) paragraph 6 of this Addendum [shall/shall not]* apply; and
- (c) paragraph 7 of this Addendum [shall/shall not]* apply.

** delete as appropriate*