



BANK OF ENGLAND

News release

Press Office

Threadneedle Street

London EC2R 8AH

T 020 7601 4411

F 020 7601 5460

press@bankofengland.co.uk

www.bankofengland.co.uk

1 July 2009

Dunfermline Resolution: Completion of the Sale of the Social Housing Lending Business to Nationwide Building Society

The Bank of England has today completed the sale and transfer of the social housing loans (and related deposits from housing associations) held by its wholly-owned subsidiary, DBS Bridge Bank Limited, to Nationwide Building Society and other loans remaining in Dunfermline that form part of the social housing book (together the "Business"). This follows the selection of Nationwide as the preferred bidder on 17 June 2009. In transferring the Business to Nationwide Building Society, the Bank of England was acting under the powers conferred on it by the Banking Act 2009 and in accordance with the Code of Practice issued by HM Treasury.

The transfer instrument issued today is available on the Bank of England's website at:

http://www.bankofengland.co.uk/financialstability/role/risk_reduction/srr/resolutions/DunfermlineCombinedTransferInstrument090701.pdf. The Treasury will also lay a copy of the property transfer instrument before Parliament in accordance with the provisions the Banking Act 2009.

Notes for editors

1. Information about the Special Resolution Regime is available on the Bank of England's website at:

http://www.bankofengland.co.uk/financialstability/role/risk_reduction/srr/

2. The announcement of the Dunfermline resolution on 30th March 2009 is available on the Bank of England's website at:

<http://www.bankofengland.co.uk/archive/Pages/digitalcontent/historicpubs/news/2009/030.aspx>,

along with the announcement on 17 June that Nationwide was the preferred bidder for the bridge bank:

<http://www.bankofengland.co.uk/archive/Pages/digitalcontent/historicpubs/news/2009/052.aspx>. The

Business had previously been transferred from Dunfermline Building Society ("Dunfermline") to DBS Bridge Bank Limited while a permanent home for the Business was sought. The transfer of the Business to the bridge bank took place at the same time as the sale and transfer of certain core parts of Dunfermline to Nationwide Building Society. Dunfermline was then placed into the Building Society Special Administration Procedure. Further information on the Dunfermline resolution can be found at:

http://www.bankofengland.co.uk/financialstability/role/risk_reduction/srr/resolutions/dunfermline.htm

3. The property transfer instrument issued in respect of the completion of the sale of the social housing loans held in the Bank of England subsidiary DBS Bridge Bank Ltd was made on 30 June. It became effective on 1 July and can be found at: http://www.bankofengland.co.uk/financialstability/role/risk_reduction/srr/resolutions/DunfermlineCombinedTransferInstrument090701.pdf