

27 DECEMBER 2013

THE CO-OPERATIVE BANK P.L.C. AND MOORLAND COVERED BONDS LLP  
ANNOUNCEMENT OF A CONSENT SOLICITATION TO COVERED BONDHOLDERS

£600,000,000 SERIES 2011-1 4.75 PER CENT. GLOBAL COVERED BONDS DUE  
NOVEMBER 2021 (ISIN: XS0703266477)

THE CO-OPERATIVE BANK P.L.C. AND MOORLAND COVERED BONDS LLP  
ANNOUNCEMENT OF NOTICE OF MEETING TO COVERED BONDHOLDERS

The Co-operative Bank p.l.c (the **Issuer**) and Moorland Covered Bonds LLP (the **Issuer**) announced today that the meeting of the holders of the £600,000,000 Series 2011-1 4.75 per cent. Global Covered Bonds due November 2021 (ISIN: XS0703266477), (the **Covered Bonds**) to vote in respect of an Extraordinary Resolution in respect of their Covered Bonds has been adjourned and shall be re-convened in order to consider the Extraordinary Resolution on 10 January 2014. The Extraordinary Resolution will approve and assent to a covered bondholder proposal which includes, amongst other things, (i) the entry into back-up cash management and back-up servicing arrangements, certain changes related to the implementation of the back-up arrangements and certain consequential amendments to the Transaction Documents connected with such arrangements, (ii) the entry into an amended and restated collection account declaration of trust to remove the requirement for the collection account relating to the covered bond programme (the **Programme**) to be moved to a third party bank and certain amendments to the other transaction documents to effect this amendment, and (iii) a change to the definition of authorised investments in the Programme and changes to certain of the other Transaction Documents to effect and reflect these amendments and the use of authorised investments within the Programme and the amendments necessary to comply with the Regulated Covered Bond (amendment) Regulations 2011 (together, the **Covered Bondholder Proposal**).

The Covered Bondholder Proposal is made on the terms and subject to the conditions contained in the Consent Solicitation Memorandum dated 5 December 2013 (the **Consent Solicitation Memorandum**).

The adjourned meeting of holders of the Covered Bonds (the **Adjourned Meeting**) to consider, and if thought fit, to pass the Extraordinary Resolution to approve the Covered Bondholder Proposal will commence at 11:00 a.m. (London time) (12:00 p.m. CET) on 10 January 2014 at the offices of Allen & Overy LLP, One Bishops Square, London E1 6AD.

The Issuer and the LLP propose to amend certain transaction documents and enter into certain new documents in order to implement the Covered Bondholder Proposal.

The Covered Bondholder Proposal, if approved at the Meeting and consented to by all appropriate parties, will, subject to it not being withdrawn by the Issuer and the LLP, be implemented within 5 Business Days of the Adjourned Meeting (or within 5 Business Days of any further adjourned meeting in the event of the Extraordinary Resolution being passed at an any further adjourned meeting, other than for lack of quorum) (the **Implementation Date**).

Holders of Covered Bonds who wish to accept the Covered Bondholder Proposal should refer to the Consent Solicitation Memorandum for the procedures which must be followed in order to accept the Covered Bondholder Proposal.

The **Expiration Deadline/Final Voting Deadline** is 10:00 a.m. (London time) (12:00 p.m. CET) on 8 January 2014.

Capitalised terms used in this announcement have the meanings ascribed to them in the Consent Solicitation Memorandum.

Copies of the Third Amended and Restated Master Definitions and Construction, the Second Amended and Restated Cash Management Agreement, the Amended and Restated Co-op Collection Account Declaration of Trust, the Second Amended and Restated Corporate Services Agreement, the Second Amended and Restated BNPP Bank Account Agreement, the Second Amended and Restated Co-op Bank Account Agreement, the Second Third Supplemental Deed of Charge, the Second Amended and Restated Servicing Agreement, the Third Amended and Restated Mortgage Sale Agreement, the Second Amended and Restated Limited Liability Partnership Deed, the Back-Up Cash Management Agreement, the Back-Up Servicing Agreement, the Replacement Cash Management Agreement, the Replacement Servicing Agreement and such other ancillary documents as may be necessary or desirable to give effect to the Extraordinary Resolution will be available for inspection by Covered Bondholders at the specified office of the Principal Paying Agent set out below prior to the Meeting (and any adjourned such Meeting) and at Allen & Overy LLP (One Bishops Square, London E1 6AD) 15 minutes before and during the Meeting (and any adjourned such Meeting) or by electronic transmission upon request to the Tabulation Agent and confirmation from the recipient that it (i) is a Covered Bondholder or a Beneficial Owner of the Covered Bonds, (ii) is not a person to or from whom it is unlawful to send the draft documents under applicable laws and regulations, (iii) consents to delivery of the draft documents by electronic transmission, (iv) acknowledges that the draft documents are confidential and agrees not to distribute or disclose them, to any other persons and (v) has understood the preceding terms on which the draft documents will be made available to it by electronic transmission.

**For further information:**

A complete description of the terms and conditions of the Covered Bondholder Proposal and the Consent Solicitation will be set out in the Consent Solicitation Memorandum. Further details on the transaction can be obtained from:

The Solicitation Agents:

J.P. Morgan Securities plc

25 Bank Street

Canary Wharf

London E14 5JP

Attn: Fixed Income Syndicate

Fax: +44 (0)20 7134 2468

Email: [ABS\\_London\\_Syndicate@jpmorgan.com](mailto:ABS_London_Syndicate@jpmorgan.com)

The Royal Bank of Scotland plc

135 Bishopsgate

London EC2M 3UR

Attn: Liability Management Group

Tel: +44 207 085 8806/9972

Email: [liabilitymanagement@rbs.com](mailto:liabilitymanagement@rbs.com)

Requests for copies of the Consent Solicitation Memorandum and the draft documentation should be directed to:

The Tabulation Agent:

Lucid Issuer Services Limited

Leroy House

436 Essex Road

London N1 3QP

United Kingdom

Attention: Paul Kamminga/Victor Parzyiagla

Tel: +44 20 7704 0880

Fax: +44 20 7067 9098

Email: [moorland@lucid-is.com](mailto:moorland@lucid-is.com)

Requests for information in relation to voting and attendance at the Adjourned Meeting should be directed to:

The Principal Paying Agent

HSBC Bank plc

8 Canada Square

London E14 5HQ

Attn: The Senior Manager, CT Client Services, Corporate Trust and Loan Agency

The Notice of Adjourned Meeting has been submitted to the National Storage Mechanism and will shortly be available for inspection at [www.Hemscott.com/nsm.do](http://www.Hemscott.com/nsm.do).

**DISCLAIMER:** This announcement must be read in conjunction with the Consent Solicitation Memorandum. The Consent Solicitation Memorandum contains important information which should be read carefully before any decision is made with respect to the Covered Bondholder Proposal. If any Covered Bondholder is in doubt as to the action it should take, it is recommended to seek its own financial advice, including in respect of any tax consequences, immediately from its stockbroker, bank manager, solicitor, accountant or other independent financial adviser. Any individual or company whose Covered Bonds are held on its behalf by a broker, dealer, bank, custodian, trust company or other nominee must contact such entity if it wishes to vote in respect of the Covered Bondholder Proposal. None of the Issuer, the LLP the Solicitation Agents, the Tabulation Agent, the Principal Paying Agent, the Bond Trustee or the Security Trustee for the Covered Bonds makes any recommendation as to whether or not or how holders of the Covered Bonds should vote in respect of the Covered Bondholder Proposal.

The distribution of this announcement and the Consent Solicitation Memorandum in certain jurisdictions may be restricted by law and persons into whose possession this announcement and the Consent Solicitation Memorandum comes are requested to inform themselves about, and to observe, any such restrictions.