

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action you should take, you are recommended to seek your own personal financial advice immediately from your stockbroker, bank, solicitor, accountant, fund manager or other appropriate financial adviser, who is authorised under the Financial Services and Markets Act 2000 if you are in the United Kingdom or, if not, from another appropriately authorised financial adviser.

This is the Certificated Holding Consent Instruction and Retail Confirmation referred to in the “**Consent Solicitation Memorandum**” dated 28 July 2017 prepared by the Bank.

This document is to be used in connection with the Meeting and the Consent Solicitation. This document must be read in conjunction with the Notice of Meeting. The Consent Solicitation Memorandum and such notice can be accessed at the following web link: <http://www.co-operativebank.co.uk/retailnoteholders>.

UNLESS OTHERWISE DEFINED, WORDS AND EXPRESSIONS DEFINED IN THE CONSENT SOLICITATION MEMORANDUM HAVE THE SAME MEANINGS WHEN USED IN THIS CERTIFICATED HOLDING CONSENT INSTRUCTION.

THIS CERTIFICATED HOLDING CONSENT INSTRUCTION SHOULD BE SUBMITTED IF YOU WISH TO SUBMIT A RETAIL CONFIRMATION OR TO OTHERWISE VOTE IN FAVOUR OF OR AGAINST EITHER OR BOTH RESOLUTIONS

Certificated Holding Consent Instruction

The Co-operative Bank p.l.c.

(incorporated with limited liability in England with registered number 990937)

(the “**Bank**”)

**for use by holders of the Bank’s outstanding
£206,000,000 11 per cent. Subordinated Notes**

**due 2023 (ISIN: GB00BFXW0853) (the “2023 Notes”) at the meeting of holders of the 2023 Notes
convened by way of notice (the “Notice of Meeting”) dated 28 July 2017
for 10.00 a.m. (London time) on Monday, 21 August 2017 at
the offices of Clifford Chance LLP, 10 Upper Bank Street, London E14 5JJ
(or any meeting reconvened following an adjournment of such meeting)**

IMPORTANT NOTES:

- Before you make any decision with respect to the Meeting, you are urged to read carefully: (a) the Consent Solicitation Memorandum; and (b) the Notice of Meeting, including the full form of the (i) first extraordinary resolution (the “**First Extraordinary Resolution**”) and (ii) second extraordinary resolution (the “**Second Extraordinary Resolution**”, together with the First Extraordinary Resolution, the “**Resolutions**”) to be proposed at the Meeting. The Consent Solicitation Memorandum and Notice of Meeting can be accessed at the following web link: <http://www.co-operativebank.co.uk/retailnoteholders> or obtained from the Registrar (telephone: 0370 889 3293) or Information Agent (telephone: +44 20 7704 0880/0300 303 3491), as applicable.
- If you wish to vote in favour of or against both Resolutions, follow the instructions on page 2 of this Certificated Holding Consent Instruction. Send a completed signed copy of this Certificated Holding Consent Instruction, together with the Note Certificate evidencing ownership of the 2023 Notes which are the subject of the Certificated Holding Consent Instruction, using the enclosed return envelope or by post using your own envelope or by hand (during normal business hours) to Computershare Investor Services PLC (the “**Registrar**”) at its address below. **Please do so as soon as possible and ensure that it is received by the Registrar by 5.00 p.m. (London time) on 18 August 2017.**
- This Certificated Holding Consent Instruction may also constitute a Retail Confirmation and may be delivered by holders of 2023 Notes that do not wish to vote on the Resolutions. Holders not wishing to vote but who wish to submit a Retail Confirmation should follow the instructions on page 2 of this Certificated Holding Consent Instruction and complete Box 2.2 only. Send a completed signed copy of this Certificated Holding Consent Instruction using the enclosed return envelope or by post using your own envelope or by hand (during normal business hours) to the Registrar at its address below. **Please do so as soon as possible and ensure that it is received by the Registrar by 10.00 a.m. (London time) on 30 August 2017.**
- This Certificated Holding Consent may be used in relation to the 2023 Notes only and no other existing securities.
- If you have any questions, contact the Registrar on 0370 889 3293. Lines are open from 8.30 a.m. to 5.30 p.m. (London time) Monday to Friday (except UK public holidays).
- **The Registrar’s address is Computershare Investor Services PLC, Corporate Actions Projects, Bristol BS99 6AH, United Kingdom.**

HOLDING OF 2023 NOTES

The number shown in Box 1B on page 3 of this Certificated Holding Consent Instruction is the principal amount of 2023 Notes registered against your name(s) on the register of Holders at 6.00 p.m. (London time) on 28 July 2017. This is provided for information purposes only.

CONTACT TELEPHONE NUMBER

In Box 1C, please provide a daytime telephone number, including the full dialling code, where you can be contacted in the event of any query arising from completion of this Certificated Holding Consent Instruction.

HOW TO COMPLETE THIS CERTIFICATED HOLDING CONSENT INSTRUCTION

To vote all of your 2023 Notes in favour of or against both Resolutions, you must mark an X within the applicable box in Box 2.1 (either (i) "FOR", (ii) "AGAINST", or (iii) "ABSTAIN", in each case depending on whether you wish to vote ALL of your 2023 Notes either for or against the Resolutions, or to otherwise abstain from voting).

It is not possible to submit a Consent Instruction in favour of only the First Extraordinary Resolution or the Second Extraordinary Resolution if you wish to be eligible to participate in the Consent Solicitation. If you wish to vote against only one Extraordinary Resolution, you should contact the Registrar or the Information Agent, as applicable, for information on how to do so and/or refer to the voting procedures set out in the Notice of Meeting.

You must mark an X in Box 2.2 if you were at 5.00 p.m. (London Time) on 27 June 2017 and are at the date hereof a Retail Holder (such that you are able to provide the confirmations set out above Box 2.2).

You must also mark an X in Box 2.4 if you are an Eligible Holder as defined in Box 2.4.

Any Holder who votes against both Resolutions should note that, if both of the Resolutions are passed and implemented, such Holder's 2023 Notes will be mandatorily cancelled either (1) in exchange for A Shares, or (2) in return for the Retail Cash Consideration as applicable pursuant to the terms of the Consent Solicitation.

SIGNING THIS CERTIFICATED HOLDING CONSENT INSTRUCTION

To be valid, this Certificated Holding Consent Instruction must be signed and dated by a registered holder (or a registered holder's duly authorised attorney or under other authority):

- if the registered holder is an individual, he/she must execute Box 3A in the presence of an independent witness. In the case of a joint holding by two, three or four individuals, each of the joint holders must execute Box 3A in the presence of an independent witness (such witness should not be one of the joint holding individuals). Each witness should write his or her name and address and sign where indicated. The same person may witness the signature of each joint holder.
- if the registered holder is a company, it must execute Box 3B under the common seal of the company or by the signatures of two directors, one director and the company secretary or any other duly authorised attorney(s) of the company. If this Certificated Holding Consent Instruction is executed under power of attorney or other authority by a person other than a registered holder, the power of attorney or other authority (if any), or a notarially certified or office copy of such power or authority, must be delivered with this Certificated Holding Consent Instruction, in accordance with the section "Further notes on how to complete this Voting Instruction" on page 4 of this Certificated Holding Consent Instruction.

RETURNING THIS CERTIFICATED HOLDING CONSENT INSTRUCTION

- If you wish to vote in favour of or against both Resolutions, send a completed signed copy of this Certificated Holding Consent Instruction, together with the Note Certificate evidencing ownership of the 2023 Notes which are the subject of the Certificated Holding Consent Instruction, using the enclosed return envelope or by post using your own envelope or by hand (during normal business hours) to Computershare Investor Services PLC (the "Registrar") at its address below. Please do so as soon as possible and ensure that it is received by the Registrar by 5.00 p.m. (London time) on 18 August 2017. **A Consent Instruction in the form of a Certificated Holding Consent Instruction from Registered Holders will not be valid unless accompanied by either (i) the Note Certificate, or (ii) a duly completed declaration and indemnity accepted by the Bank.**
- Holders not wishing to vote on the Resolutions but who wish to submit a Retail Confirmation should follow the instructions on this page and complete Box 2.2 only. Send a completed signed copy of this Certificated Holding Consent Instruction using the enclosed return envelope or by post using your own envelope or by hand (during normal business hours) to the Registrar at its address below. Please do so as soon as possible and ensure that it is received by the Registrar by 10.00 a.m. (London time) on 30 August 2017.

FILL IN THIS PAGE IF YOU WISH TO SUBMIT A RETAIL CONFIRMATION OR OTHERWISE VOTE SOME OR ALL OF YOUR 2023 NOTES IN FAVOUR OF OR AGAINST BOTH RESOLUTIONS

Box 1A: Full Name(s) and Address of Holder(s) and name of custodian (if applicable):

Principal amount of 2023 Notes held by Holder(s) at 28 July 2017
Box 1B:

Insert a daytime telephone number, for use in the event of a query.
Box 1C:

2. CERTIFICATED HOLDING CONSENT INSTRUCTION

This Certified Holding Consent Instruction should be submitted if you wish to submit a Retail Confirmation or to otherwise vote all of your 2023 Notes in favour of or against both Resolutions.

I/We appoint the Chairman of the Meeting as my/our proxy to vote all of my/our 2023 Notes in favour of or against the First Extraordinary Resolution and the Second Extraordinary Resolution or to otherwise abstain from voting, in each case as indicated in Box 2.1.

Box 2.1: Mark X in the relevant Box

FOR:	AGAINST:	ABSTAIN:
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If you are able to give the confirmations set out below, please fill in your details in Boxes 1A and 1C above and mark an X in Box 2.2 to confirm that you are a Retail Noteholder.

- (A) I was at 5.00 p.m. (London Time) on 27 June 2017 and I am at the time of this confirmation and I will continue to be at 6.00 p.m. (London time) on the Entitlement Record Date, which is expected to be 21 August 2017:
 - (i) an individual person;
 - (ii) the beneficial owner of less than £100,000 in aggregate principal amount of 2023 Notes;
 - (iii) resident in the United States and not an "accredited investor" as defined in Regulation D of the United States Securities Act of 1933, as amended; or (b) not resident in the United States and not a "qualified investor" as defined in Directive 2003/71/EC; and
 - (iv) not a Sanctions Restricted Person; and
- (B) I agree that the information I have provided here may be shared with the Bank, its financial and legal advisors, Lucid Issuer Services Limited and Computershare Investor Services PLC (as registrar in respect of the 2023 Notes).

If you are not able to give the confirmations set out above, please fill in your details in Boxes 1A and 1C above and mark an X in Box 2.3 to confirm that you are a Non-Retail Noteholder.

Confirmation of status as a Retail Noteholder or a Non-Retail Noteholder	Box 2.2: Mark X to confirm that you are a Retail Noteholder: <input type="checkbox"/>	Box 2.3: Mark X to confirm that you are a Non-Retail Noteholder: <input type="checkbox"/>
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Mark an X in **either** Box 2.4 **or** Box 2.5 to indicate whether or not you are an Eligible Holder. "Eligible Holder" means a Holder that is eligible to participate in the Consent Solicitation on the basis that such Holder (a) is not a U.S. person (as defined in Regulation S of the United States Securities Act of 1933, as amended); or (b) is a person to whom the Consent Solicitation can otherwise lawfully be made and that may lawfully participate in the Consent Solicitation.

Indicate whether or not you are an Eligible Holder:	Box 2.4: Mark X if you are an Eligible Holder: <input type="checkbox"/>	Box 2.5: Mark X if you are not an Eligible Holder: <input type="checkbox"/>
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3. EXECUTION BY AN INDIVIDUAL/COMPANY

BOX 3A: Execution by individual(s) **REMEMBER TO HAVE YOUR SIGNATURE WITNESSED OR THIS FORM WILL BE REJECTED**

Signed by:	Date	Witnessed by:	Name of witness
Sole or first named registered holder signature <input type="text"/>	<input type="text"/>	Signature of witness <input type="text"/>	<input type="text"/>
Joint registered holder(s) (if any) signature <input type="text"/>	<input type="text"/>	Signature of witness <input type="text"/>	<input type="text"/>
Joint registered holder(s) (if any) signature <input type="text"/>	<input type="text"/>	Signature of witness <input type="text"/>	<input type="text"/>
Joint registered holder(s) (if any) signature <input type="text"/>	<input type="text"/>	Signature of witness <input type="text"/>	<input type="text"/>

BOX 3B: Execution block to be used where Holder is a company

Signed by:	<input type="text"/>	
Name of Company	Signature	Date:
<input type="text"/>	<input type="text"/>	<input type="text"/>
Name of Director/Attorney	Signature	Date:
<input type="text"/>	<input type="text"/>	<input type="text"/>
Name of Director/Secretary/Attorney	Signature	Date:
<input type="text"/>	<input type="text"/>	<input type="text"/>
Affix company seal here	<input type="text"/>	
If you are affixing a company seal, please mark X in the box to the right. <input type="checkbox"/>	<input type="text"/>	

4. DETAILS FOR RECEIPT OF RETAIL CASH CONSIDERATION. If you would like the Retail Cash Consideration (if applicable) to be paid to an account other than that in which you receive payment of interest on the 2023 Notes, include details in this Box 4 of such account.

Box 4:

FURTHER NOTES ON HOW TO COMPLETE THIS CERTIFICATED HOLDING CONSENT INSTRUCTION**1. IF THE PERSON NAMED AS REGISTERED HOLDER (BOX 1A) IS AWAY FROM HOME (E.G. ABROAD OR ON HOLIDAY) OR WHERE A POWER OF ATTORNEY HAS BEEN GRANTED**

You should send this Certificated Holding Consent Instruction by the quickest means (such as air mail) to the registered holder. If a registered holder has executed a power of attorney, the attorney may sign this Certificated Holding Consent Instruction. The original power of attorney (or a notarially certified copy or office copy of such power of attorney) must be delivered with this completed Certificated Holding Consent Instruction for noting. The Registrar will note the power of attorney and return it as directed. No other signatures will be accepted.

2. IF THE SOLE REGISTERED HOLDER HAS DIED OR ONE OR MORE OF THE REGISTERED HOLDERS HAVE DIED

Where 2023 Notes are registered in the name of a sole Holder who is deceased, these 2023 Notes can only be voted following the transfer of the 2023 Notes to the legal representatives or other beneficiaries of the estate. A copy of the court confirmation, probate or letters of administration and a signed transfer form must be lodged as soon as possible so as to be received by the Registrar by not less than 48 hours before the time fixed for the relevant Meeting. If one or more of the registered holders have died, this Certificated Holding Consent Instruction is valid if executed by all the surviving holders, each in the presence of a witness, and lodged with the Registrar at the address above, accompanied by the death certificate, court confirmation, probate or letters of administration in respect of the deceased joint holder.

3. IF YOU DO NOT RETURN THIS CERTIFICATED HOLDING CONSENT INSTRUCTION

If you do not complete and return this Certificated Holding Consent Instruction to the Registrar please note that:

- you are entitled to attend either or both Meetings to vote in person on either or both Resolutions. See the Notice of Meeting for details on how to attend in person the Meeting; and
- if both of the Resolutions are passed and implemented, your 2023 Notes will be mandatorily cancelled, either (1) in exchange for A Shares, or (2) in return for the Retail Cash Consideration as applicable pursuant to the terms of the Consent Solicitation.