

The Co-operative Bank plc Covered Bond Programme

| | <u>General</u> | <u>Series 2011-1</u> |
|---|----------------------------|---------------------------------------|
| Issue Date | | 11 November 2011 |
| Publishing Date | 31 October 2016 | |
| Accrual Start Date | 21 September 2016 | |
| Accrual End Date | 21 October 2016 | |
| Accrual Period | 30 | |
| International Securities Number (ISIN) | | XS0703266477 |
| Stock Exchange Listing | London | |
| Issuer | The Co-operative Bank PLC | |
| Guarantor | Moorland Covered Bonds LLP | |
| Original Covered Bond Ratings (Fitch/ Moodys) | | AAA/Aaa |
| Current Covered Bond Ratings (Fitch/ Moodys) | | BBB+/Baa1 |
| Previous LLP Payment date | 21 September 2016 | |
| Current LLP Payment date | 21 October 2016 | |
| Next LLP Payment date | 21 November 2016 | |
| Collection Period Start Date | 31 August 2016 | |
| Collection Period End Date | 30 September 2016 | |
| Currency | | Sterling |
| Original Principal Balance | | £600,000,000.00 |
| Total Beginning Balance prior to payment | | £600,000,000.00 |
| Total Ending Balance subsequent to payment | | £600,000,000.00 |
| Bond Structure | | Soft Bullet |
| Coupon Reference Rate | | Fixed |
| Coupon | | 4.75% |
| Next Coupon Payment Date | | 11 November 2016 |
| Benchmark | | UKT 3.75% Sept 2021 |
| Total Principal Payments - in period | | £0.00 |
| Total Coupon Payments - in period | | £0.00 |
| Covered Bond Swap Provider | | HSBC Bank plc |
| Covered Bond Swap Currency | | GBP |
| Covered Bond Swap Reference Rate | | 1 month £ Libor |
| Covered Bond Swap Margin | | 2.7625% |
| Day Count Convention | | Actual/Actual(ICMA) |
| Relevant Margin | | 4.75000% |
| Coupon Reference Rate | | Fixed |
| Coupon Amount | | £28,500,000.00 |
| Current Coupon | | 4.75000% |
| Current Interest Shortfall | | £0.00 |
| Cumulative Interest Shortfall | | £0.00 |
| Final Maturity Date | | 11 November 2021 |
| Extended Due for Payment Date | | 11 November 2022 |
| Joint Lead Managers | | Barclays Capital, HSBC, JPM, RBS, UBS |
| Listing | | London |

Issuer Priority of Payments

| | | | |
|---|--------------|--|---------------|
| Available Revenue Receipts | 5,570,326.93 | Available Principal Receipts | 22,842,378.48 |
| Revenue Priority of Payments | | Principal Priority of Payments | |
| (a) Trustee/ Security Trustee expenses | - | (a) Pre-Maturity Liquidity Ledger | - |
| (b) Accrued Senior Expenses | 48,170.02 | (b) Retained Principal Ledger | - |
| (c) 3rd Party Fees | 92,814.04 | (c) GIC Deposit to ensure ACT Compliance | - |
| (d) Interest Rate Swap Provider Payments | 517,439.75 | (d) Term Advance/ Covered Bond Swap | - |
| (e) Term Advance Interest/ Covered Bonds Swap | 1,492,954.52 | (e) Capital Distribution | 22,842,378.48 |
| (f) Pre-Maturity Liquidity Ledger Amounts | - | | |
| (g) Deposit Account Credit (In the Servicer Event of Default) | - | | |
| (h) Reserve Fund Required Amount Increase | - | | |
| (i) Swap Termination fees | - | | |
| (j) Members/ Asset Monitor Indemnity | - | | |
| (k) Cash Capital Contributions repayment | 2,010,394.27 | | |
| (l) Liquidation Members | 279.23 | | |
| (m) Designated Member Fee | 100.00 | | |
| (n) Members Interest Profits | 1,408,175.09 | | |

| Swaps | Counterparty | Notional Amount | Period Start Date | Period End Date | LIBOR | Pay Margin | Receipt Fixed Rate | LLP Payment | LLP Receipt | Net Receipt (Payment) |
|--------------------|--------------|-----------------|-------------------|-----------------|---------|------------|--------------------|--------------|-------------|-----------------------|
| Interest Rate Swap | JPM | £608,191,995.24 | 21/09/2016 | 21/10/2016 | 0.2649% | 1.30% | 0.00% | 649,848.98 | 132,409.23 | 517,439.75 |
| Liability Swap | HSBC | £600,000,000.00 | 21/09/2016 | 21/10/2016 | 0.2649% | 2.76% | 4.75% | 1,492,954.52 | - | 1,492,954.52 |

| Asset Coverage Test | This Period |
|---|--------------------|
| | 30 September 2016 |
| LTV Adjustment | |
| if <= 3 months in arrears | 75% |
| if >3 months in arrears, and True Balance/Indexed Valuation <=75% | 40% |
| if >3 months in arrears, and True Balance/Indexed Valuation >75% | 25% |
| Base Asset Percentage - LLP Deed 11.3(i) | 93.5% |
| Fitch Asset Percentage - LLP Deed 11.3(ii) | 90.0% |
| Moodys Asset Percentage - LLP Deed 11.3(iii) | 77.5% |
| Adjusted True Balance (i) | 1,279,214,687.34 |
| Arrears Adjusted True Balance (ii) | 1,285,888,404.97 |
| A: Lower of Adjusted True Balance and Arrears Adjusted True Balance | 996,563,513.85 |
| B: Principal Receipts | 22,842,933.56 |
| C: Cash Capital Contributions | 2,010,394.27 |
| D: Substitution Assets | 0.00 |
| X: Flexible Redraw Capacity | 0.00 |
| Y: Deposit Set-Off Amounts | 20,207,337.12 |
| Z: WA Remaining Maturity * Principal Amt Outstanding * Neg Carry Factor | 96,582,750.00 |
| Total: A + B + C + D - (X + Y + Z) | 904,626,754.56 |
| Asset Percentage (%) | 77.5% |
| Principal amount outstanding of all Covered Bonds issued | 600,000,000.00 |
| Amount of Credit Support | 304,626,754.56 |
| ACT Pass Fail | PASS |

| Ledgers | This Period | Last Period |
|-------------------------------|--------------------|--------------------|
| Revenue Ledger | 3,438,965.92 | £3,302,294.08 |
| Principal Ledger | 22,842,933.56 | £23,469,675.70 |
| Reserve Ledger | 7,000,000.00 | £7,000,000.00 |
| Capital Contribution Ledger | 708,843,472.83 | £735,833,344.61 |
| Yield Reserve Ledger | - | £0.00 |
| Retained Principal Ledger | - | £0.00 |
| Coupon Payment Ledger | £0.00 | £0.00 |
| Pre-Maturity Liquidity Ledger | £0.00 | £0.00 |
| LLP Fee Amount Ledger | £0.00 | £0.00 |
| Swap Provider Amount Ledger | £0.00 | £0.00 |
| Intercompany Loan Ledger | £600,000,000.00 | £600,000,000.00 |

| | |
|---|---------------|
| Target General Reserve Account Balance | £7,000,000.00 |
| Beginning General Reserve Account Balance | £7,000,000.00 |
| Ending General Reserve Account Balance | £7,000,000.00 |
| Change in the General Reserve Account Balance | £0.00 |

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|---|---------------|
| Issuer GIC Collateralisation Amount | £3,000,000.00 |
| Collection Account Collateralisation Amount | £3,000,000.00 |

| | |
|--|----------------|
| Swap Cash Collateral Account Opening Balance | 2,010,394.27 |
| Cash Collateral posted during the period | 2,077,417.85 |
| Cash Collateral repayment during the period | - 2,010,394.27 |
| Swap Cash Collateral Account Closing Balance | 2,077,417.85 |

| | |
|--------------------------------|-------|
| Beginning Yield Reserve Amount | £0.00 |
| Ending Yield Reserve Amount | £0.00 |
| Change in Yield Reserve Amount | £0.00 |
| Yield Reserve Required Amount | £0.00 |

| | |
|---|-------------|
| Make Whole Ledger Original Balance | £948,700.00 |
| Make Whole Ledger Period Start Balance | £938,214.73 |
| Make Whole Ledger Top up during the Period | £0.00 |
| Make Whole Ledger Transfers to Principal Receipts | £43.22 |

| | |
|---|-------------------|
| Timing of the Collateral report | 30 September 2016 |
| Currency | Sterling |
| Prior Period Total Number of Residential Mortgage Loans | 15,972 |
| Current Total Number of Residential Mortgage Loans | 15,693 |
| Prior Period Total Value of Residential Mortgage Loans | 1,312,397,129 |
| Current Total Value of Residential Mortgage Loans | 1,286,001,095 |
| Current Average Loan Size | 81,947 |
| Current Weighted Average Seasoning (Months) | 91 |
| Weighted Average Interest Rate | 2.98% |
| Weighted Average Remaining Term | 173 |
| Current Indexed Loan to Value Ratio | 42.31% |
| Current Non-Indexed Loan to Value Ratio | 52.23% |

| | Current Period | | |
|---|----------------------|-----------|---------------------------|
| Delinquency Band (excluding possessions) | Total Balance | No | % of Total Balance |
| Zero arrears | 1,286,001,094.83 | 100.00% | 100.00% |
| 0.01 <= 1 Months in Arrears | - | - | 0.00% |
| 1.01 <= 2 Months in Arrears | - | - | 0.00% |
| 2.01 <= 3 Months in Arrears | - | - | 0.00% |
| > 3 Months | - | - | 0.00% |
| Total | - | - | 0.00% |

*Loan is classified as 'delinquent' if the arrears balance is greater than zero as at the date of the collateral report.

| | |
|------------------------------------|-------|
| Net Loss | - |
| Cumulative Net Loss | - |
| Average Loss Severity (In Period) | 0.00% |
| Average Loss Severity (Cumulative) | 0.00% |

| | Total Balance | No |
|---------------------------------------|----------------------|-----------|
| Repossessions and Sales | | |
| Possessed properties (current period) | - | 0 |
| Possessed properties (to date) | - | 0 |
| Sales (current period) | - | 0 |
| Sales (to date) | - | 0 |

| Outstanding Repossessions | Total Balance | No |
|----------------------------------|----------------------|-----------|
| | £0.00 | 0 |

| | Current Period | Previous Period |
|--|-----------------------|------------------------|
| Principal Payment Rate (3 Months Average) | 1.79% | 1.84% |
| Annualised PPR Speed (Based on monthly principal payment rate) | 19.00% | 18.96% |
| Constant Prepayment Rate (3 months Average) | 1.25% | 1.29% |
| Constant Prepayment Rate (Annualised) | 13.44% | 13.40% |

| | Current Period | | |
|---|-------------------------|---------------|---------------------|
| Region | Total Balance | No | % of Balance |
| East Anglia | £55,123,534.86 | 706 | 4.29% |
| East Midlands | £81,805,077.97 | 1,169 | 6.36% |
| London | £119,322,638.21 | 894 | 9.28% |
| North | £44,392,844.31 | 655 | 3.45% |
| North West | £179,317,529.74 | 2,502 | 13.94% |
| Scotland | £37,900,328.42 | 495 | 2.95% |
| South East | £315,743,477.56 | 2,945 | 24.55% |
| South West | £132,662,383.33 | 1,637 | 10.32% |
| Wales | £46,982,135.14 | 688 | 3.65% |
| West Midlands | £184,868,234.73 | 2,762 | 14.38% |
| Yorks and Humber | £87,882,910.56 | 1,240 | 6.83% |
| Total | 1,286,001,094.83 | 15,693 | 100.00% |
| Mortgage Size | Total Balance | No | % of Balance |
| Less than or equal to 30K | 54,163,113.93 | 3,321 | 4.21% |
| More than 30k up to and including 50K | 103,075,629.97 | 2,568 | 8.02% |
| More than 50k up to and including 75K | 188,684,378.28 | 3,032 | 14.67% |
| More than 75k up to and including 100K | 199,477,432.65 | 2,302 | 15.51% |
| More than 100k up to and including 125K | 174,605,320.93 | 1,566 | 13.58% |
| More than 125k up to and including 150K | 134,917,779.27 | 988 | 10.49% |
| More than 150k up to and including 200K | 172,657,840.24 | 1,012 | 13.43% |
| More than 200k up to and including 400K | 212,107,997.45 | 816 | 16.49% |
| More than 400K up to and including 500K | 22,206,909.03 | 50 | 1.73% |
| More than 500k | 24,104,693.08 | 38 | 1.87% |
| Total | 1,286,001,094.83 | 15,693 | 100.00% |
| Mortgage Type | Total Balance | No | % of Balance |
| Owner Occupied Purchase | 641,185,160.29 | 6,669 | 49.86% |
| Owner Occupied Remortgage | 644,815,934.54 | 9,024 | 50.14% |
| Total | 1,286,001,094.83 | 15,693 | 100.00% |
| Mortgage Payment Type | Total Balance | No | % of Balance |
| Capital & Interest | 879,442,012.04 | 12,237 | 68.39% |
| Interest Only | 294,615,897.10 | 2,312 | 22.91% |
| Mixed (Part & Part) | 111,943,185.69 | 1,144 | 8.70% |
| Total | 1,286,001,094.83 | 15,693 | 100.00% |
| Non-indexed Current LTV (Using Original Valuation) | Total Balance | No | % of Balance |
| Less than or equal to 25% CLTV | 162,819,555.52 | 5,155 | 12.66% |
| More than 25% up to and including 50% CLTV | 432,282,347.12 | 5,123 | 33.61% |
| More than 50% up to and including 55% CLTV | 101,788,022.70 | 895 | 7.92% |
| More than 55% up to and including 60% CLTV | 104,289,554.04 | 881 | 8.11% |
| More than 60% up to and including 65% CLTV | 88,740,703.51 | 724 | 6.90% |
| More than 65% up to and including 70% CLTV | 91,371,172.54 | 701 | 7.11% |
| More than 70% up to and including 75% CLTV | 90,031,077.97 | 694 | 7.00% |
| More than 75% up to and including 80% CLTV | 72,890,225.47 | 588 | 5.67% |
| More than 80% up to and including 85% CLTV | 52,604,289.22 | 381 | 4.09% |
| More than 85% up to and including 90% CLTV | 52,031,848.30 | 321 | 4.05% |
| More than 90% up to and including 95% CLTV | 15,641,826.55 | 104 | 1.22% |
| More than 95% up to and including 100% CLTV | 7,208,972.72 | 53 | 0.56% |
| Over 100% CLTV | 14,301,499.17 | 73 | 1.11% |
| Total | 1,286,001,094.83 | 15,693 | 100.00% |

| <u>Indexed Current LTV (Using Original Valuation)</u> | <u>Total Balance</u> | <u>No</u> | <u>% of Balance</u> |
|--|-----------------------------|----------------------------------|----------------------------|
| Less than or equal to 25% | 281,889,650.77 | 6,668 | 21.92% |
| More than 25% up to and including 50% | 549,532,544.73 | 5,462 | 42.73% |
| More than 50% up to and including 55% | 102,480,270.56 | 837 | 7.97% |
| More than 55% up to and including 60% | 95,331,816.62 | 746 | 7.41% |
| More than 60% up to and including 65% | 80,692,307.33 | 651 | 6.27% |
| More than 65% up to and including 70% | 67,306,929.07 | 501 | 5.23% |
| More than 70% up to and including 75% | 37,463,129.77 | 295 | 2.91% |
| More than 75% up to and including 80% | 32,704,337.04 | 236 | 2.54% |
| More than 80% up to and including 85% | 21,750,166.40 | 165 | 1.69% |
| More than 85% up to and including 90% | 7,398,749.51 | 59 | 0.58% |
| More than 90% up to and including 95% | 5,229,195.33 | 42 | 0.41% |
| More than 95% up to and including 100% | 3,704,958.99 | 26 | 0.29% |
| Over 100% | 517,038.71 | 5 | 0.04% |
| Total | 1,286,001,094.83 | 15,693 | 100.00% |
| <u>Interest Rate</u> | <u>Total Balance</u> | <u>No of Sub Accounts</u> | <u>% of Balance</u> |
| 0 – 1.99% | 376,215,531.54 | 6,425 | 29.25% |
| 2 – 2.99% | 325,206,612.86 | 5,182 | 25.29% |
| 3 – 3.99% | 206,789,583.94 | 3,339 | 16.08% |
| 4 – 4.99% | 323,469,105.33 | 6,395 | 25.15% |
| 5 – 5.99% | 48,388,709.11 | 932 | 3.76% |
| 6 – 6.99% | 5,931,552.05 | 166 | 0.46% |
| 7 – 7.99% | £0.00 | 0 | 0.00% |
| Total | 1,286,001,094.83 | 22,439 | 100.00% |
| <u>Years to Maturity</u> | <u>Total Balance</u> | <u>No</u> | <u>% of Balance</u> |
| 0 and less than or equal to 5 years | 92,432,296.29 | 2,432 | 7.19% |
| Greater than 5 years and less than or equal to 10 years | 239,580,280.49 | 3,899 | 18.63% |
| Greater than 10 years and less than or equal to 15 years | 396,908,674.64 | 4,574 | 30.86% |
| Greater than 15 years and less than or equal to 20 years | 322,621,552.22 | 2,958 | 25.09% |
| Greater than 20 years and less than or equal to 25 years | 144,857,612.77 | 1,162 | 11.26% |
| Greater than 25 years and less than or equal to 30 years | 63,854,166.02 | 475 | 4.97% |
| Greater than 30 years | 25,746,512.40 | 193 | 2.00% |
| Total | 1,286,001,094.83 | 15,693 | 100.00% |
| <u>Property Type</u> | <u>Total Balance</u> | <u>No</u> | <u>% of Balance</u> |
| Detached House | 443,308,284.18 | 4,468 | 34.47% |
| Flat/ Maisonnette | 105,379,809.15 | 1,215 | 8.19% |
| Semi- Detached House | 390,401,719.52 | 5,225 | 30.36% |
| Terraced House | 284,407,199.14 | 3,870 | 22.12% |
| Other | 62,504,082.84 | 915 | 4.86% |
| Total | 1,286,001,094.83 | 15,693 | 100.00% |
| <u>Interest Rate Type</u> | <u>Total Balance</u> | <u>No of Sub Accounts</u> | <u>% of Balance</u> |
| Base | £408,011,576.65 | 7,456 | 31.73% |
| Fixed - reverting to SVR | £592,876,137.24 | 9,214 | 46.10% |
| SVR | £285,113,380.94 | 5,769 | 22.17% |
| Total | 1,286,001,094.83 | 22,439 | 100.00% |

| Additional Information | As at 30-09-2016 | Cumulative (From date of Issue) |
|--|--|--|
| BNP Paribas Deposit Account | 36,932,005.26 | n/a |
| BNP Paribas Swap Collateral Account | 2,010,394.27 | |
| Co-operative Bank Deposit Account | 3,405,932.99 | n/a |
| Substitute Assets | 0.00 | - |
| | Gilts, Sterling demand or time deposits, certificates of deposit and short-term debt obligations | Gilts, Sterling demand or time deposits, certificates of deposit and short-term debt obligations |
| Authorised Investments Allowable | - | - |
| Authorised Investments | - | - |
| Available Principal Receipts | £22,842,378.48 | £1,637,377,730.09 |
| Scheduled Principal Receipts | n/a | n/a |
| Unscheduled Principal Receipts | n/a | n/a |
| Available Revenue Receipts | £5,570,326.93 | £620,912,859.56 |
| Value of Repurchases | £1,504,355.55 | £161,502,524.05 |
| Number of Repurchases | 44 | 2,773 |
| Value of Re-arrangements | £2,080,260.27 | £158,990,048.11 |
| Number of Re-arrangements | 25 | 1,673 |
| Value of Loans Added to Pool (Including re-arrangements) | £0.00 | £1,687,144,070.15 |
| Number of Loans Added to Pool | - | 11,475 |
| Bonds Outstanding as % of Original Bonds Issued | 100.00% | n/a |
| Losses as % Bonds Issued | 0.00% | 0% |
| Number of Properties Sold | - | - |
| Principal Balance of Properties Sold | £0.00 | £0.00 |
| Advances in period | £0.00 | £15,280,671.67 |
| Current SVR Rate | 4.49% | n/a |
| Original Weighted Average Life | 10 Years (Series 2011-1) | |

| Rating Agency Triggers | Provider | Rating Triggers (M- Moody's/ F- Fitch) | Latest available rating (M-Moody's/ F- Fitch) | Breach Action |
|-----------------------------------|--|---|--|--|
| Covered Bond Swap Provider | HSBC Bank PLC | A2, P-1/ A, F1 | Aa2, P-1(Stable)/ AA-, F1+ | N/A |
| Fixed Rate Swap Provider | J.P. Morgan Securities Ltd- J.P. Morgan Chase Bank N.A (Guarantor) | A2, P-1/ A, F1 | Aa3, P-1/ AA-, F1+ | N/A |
| Issuer Account Bank (i) | The Co-operative Bank PLC | P-1/ A, F1 | Caa2,NP/ B,B | Deposits limited to Collateralised Amount- £3m |
| Issuer Account Bank (ii) | BNP Paribas Securities Services | P-1/ A, F1 | P-1/A+,F1 | N/A |
| Collection Account Bank | The Co-operative Bank PLC | Co-op Insolvency Event Occurance | N/A | |
| Cash Manager | The Co-operative Bank PLC | Baa3/ B | Caa2,NP/ B,B | Additional Cash Capital contribution is made by the Seller (Co-op) according to LLP Trust Deed Clause 8.7 & Back up Cash Manger appointed. |
| Servicer | The Co-operative Bank PLC | Baa3/ B | Caa2,NP/ B,B | Back up Servicer appointed. |

| | |
|-----------------------------|------------------------------|
| Back up Cash Manager | Citibank N.A., London Branch |
| Back up Servicer | Homeloan Management Limited |

| Deal Participant Information | | | |
|-------------------------------------|--|----------------------------------|--|
| Cash Manager | The Co-operative Bank PLC https://www.co-operativebank.co.uk/investorrelations/debtinvestors | Paying Agent | HSBC Bank PLC |
| Web address | | Account Banks | The Co-operative Bank PLC BNP Paribas Securities Services |
| Servicer | The Co-operative Bank PLC https://www.co-operativebank.co.uk/investorrelations/debtinvestors | Liquidity Support | The Co-operative Bank PLC |
| Note Trustee e-mail | HSBC Corporate Trustee Company (UK) Ltd cta.trustee_admin@hsbc.com | Corporate Services Provider | Structured Finance Management Limited |
| Lead Arrangers | RBS UBS | Back-up Servicer Facilitator | Structured Finance Management Limited |
| | | Back-up Cash Manager Facilitator | Structured Finance Management Limited |

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|---|--|
| Information Sources | The Co-operative Bank PLC |
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| | Manchester |
| Address | M60 0AL |
| | Bloomberg or https://www.co-operativebank.co.uk/investorrelations/debtinvestors |
| Reports Distribution Channels | |
| Loan Level Data and Liability Modelling | |
| Bloomberg | COOPWH-CORP |
| Report Frequency | Monthly |

| | |
|--|---|
| Mortgage Yield (pre swap) | WA average mortgage interest rate |
| Unscheduled Principal Payments | Non scheduled principal and redemption receipts |
| Unscheduled Revenue Receipts | Interest on arrears |
| Principal Payment Rate (3 ma) | Three Months average of Monthly Principal Payments received (unscheduled and scheduled) divided by opening mortgage balance |
| Annualised PPR Speed (Based on monthly principal payments) | Total Payments received unscheduled and scheduled divided by opening mortgage balance (Annualised on current month) |
| Constant Prepayment Rate (3ma) | Three Months average of Monthly unscheduled Principal Payments received divided by opening mortgage balance |
| Constant Prepayment Rate (Annualised) | Total Payments received unscheduled divided by opening mortgage balance and annualised |

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