

## NOTICE OF CLASS A2 NOTEHOLDERS MEETING

---

**THIS NOTICE IS IMPORTANT AND REQUIRES THE IMMEDIATE ATTENTION OF CLASS A2 NOTEHOLDERS (AS DEFINED BELOW). IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU ARE RECOMMENDED TO SEEK YOUR OWN FINANCIAL ADVICE, INCLUDING IN RESPECT OF ANY TAX CONSEQUENCES, IMMEDIATELY FROM YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER INDEPENDENT FINANCIAL ADVISER AUTHORISED UNDER THE FINANCIAL SERVICES AND MARKETS ACT 2000 (IF YOU ARE IN THE UNITED KINGDOM) OR FROM ANOTHER APPROPRIATELY AUTHORISED INDEPENDENT FINANCIAL ADVISER (IF YOU ARE NOT).**

**LEEK FINANCE NUMBER SEVENTEEN PLC**  
(the **Issuer**)

(incorporated in England and Wales under the Registration Number 05659973)

### NOTICE OF CLASS A2 NOTEHOLDER MEETING

to each of the holders of the outstanding

**£270,000,000 Class A2a Mortgage Backed Floating Rate Notes due 2037**

(ISIN: XS0249475137; Common Code: 024947513)

(the Class A2a Notes and holders thereof, the Class A2a Noteholders)

and

**U.S.\$462,000,000 Class A2b Mortgage Backed Floating Rate Notes due 2037**

(Regulation S Notes: ISIN: XS0249475483; Common Code: 024947548)

Rule 144A Notes: ISIN: US52426LAB62; Common Code: 024942660; CUSIP: 52426LAB6)

(the **Class A2b Notes** and holders thereof, the **Class A2b Noteholders**)

and

**€365,000,000 Class A2c Mortgage Backed Floating Rate Notes due 2037**

(ISIN: XS0249475723; Common Code: 024947572)

(the **Class A2c Notes** and holders thereof, the **Class A2c Noteholders**)

(the Class A2a Notes, Class A2b Notes and Class A2c Notes together, the **Class A2 Notes** and the holders thereof, the **Class A2 Noteholders**).

**NOTICE IS HEREBY GIVEN** that a meeting of the Class A2 Noteholders (the **Class A2 Noteholders Meeting**) convened by the Issuer will be held at the offices of Allen & Overy LLP, One Bishops Square, London E1 6AD on 11 May 2011. The Class A2 Noteholders Meeting will be held at 10 a.m. (London time) (11 a.m. CET), for the purpose of considering and, if thought fit, passing the following Resolution which will be proposed as an Extraordinary Resolution in accordance with the provisions of the Trust Deed dated 12 April 2006 (the **Trust Deed**) made between the Issuer and Capita Trust Company Limited (the **Trustee**) as trustee for the Secured Creditors (including the Class A2 Noteholders) and constituting the Class A2 Notes. Capitalised terms used in this notice shall have the meanings given to them in the Consent Solicitation Memorandum dated 30 March 2011.

At the date of this Notice, £115,776,000 in aggregate principal amount of the Class A2a Notes, U.S.\$198,105,600 in aggregate principal amount of the Class A2b Notes and €156,512,000 in aggregate principal amount of the Class A2c Notes have been issued by the Issuer and remain outstanding.

Capitalised terms used but not otherwise defined herein shall have the meanings ascribed to them in the Conditions of the Class A2 Notes set out in the Trust Deed.

In accordance with normal practice, each of the Solicitation Agents, the Trustee, the Principal Paying Agent and the U.S. Registrar expresses no opinion and makes no representations as to the merits of the proposed amendments referred to in the Extraordinary Resolution set out below. Each of the Trustee, the Principal Paying Agent and the U.S. Registrar has authorised it to be stated that it has no objection to the Extraordinary Resolution being submitted to the Class A2 Noteholders for their consideration. Accordingly, each of the Trustee, the Principal Paying Agent and the U.S. Registrar recommends that Class A2 Noteholders seek their own legal, financial or other advice as to the impact of the implementation of the Extraordinary Resolution.

## BACKGROUND

The Issuer proposes to amend the Transaction Documents, the Trust Deed and the Conditions as set out in the Global Amendment and Restatement Deed (as defined below) and to enter into certain new documents (as outlined below). The Class A2 Noteholders should be aware that the proposed amendments have been requested to:

- (a) provide all classes of Noteholders with an investor redemption option (the **Investor Redemption Option**) pursuant to which a Noteholder may elect to have his Notes redeemed by the Issuer at the relevant Maturity Redemption Amount (as defined below). The redemption of Notes subject to the Investor Redemption Option will be funded through the issuance of variable funding notes corresponding to each Class of Notes being redeemed (respectively, the **J1 VFN**, the **J2 VFN**, the **J3 VFN** and the **J4 VFN** and, together, the **J VFN**);
- (b) increase the credit enhancement of the Notes. The Issuer will purchase UK Gilts using the proceeds of the issuance of a new variable funding note (the **K VFN**) to be subscribed to and funded by The Co-operative Bank. The UK Gilts will be placed in a new custody account in the name of the Issuer and charged in favour of the Trustee and the income generated from the UK Gilts will be added to Income Received whilst the cash received from the redemption of the UK Gilts will be added to Principal Received. Any interest received on the UK Gilts in excess of the interest due on the K VFN will be used to redeem the K VFN in accordance with the amended Pre-Enforcement Interest Priority of Payments. To the extent there is insufficient Applied Income to pay interest on the K VFNs on an Interest Payment Date, such unpaid interest amount will be capitalised, a new Condition 5(i) (*Interest Deferral*) will be inserted. The K VFN will rank junior to the existing Notes and the Required Amount in the Payments Priorities;
- (c) remove Standard & Poor's from the Securitisation. Pursuant to the amendments, all references to S&P and any S&P criteria or requirements contained in the Transaction Documents will be deleted and all obligations on any of the parties thereto to comply with any of the S&P criteria or requirements shall cease to have effect;
- (d) provide for the A Noteholders to receive an additional payment (the **Additional Coupon Payment**) on the final Interest Payment Date of the A Notes. The Issuer will issue a new variable funding note (the **L VFN**) the proceeds of which will be used to make three term loans (the **Co-op Multi-Currency Loans**) to The Co-operative Bank p.l.c. (**The Co-operative Bank**). The Co-op Multi-Currency Loans will be repayable on the Additional Coupon Payment Date and the repayment proceeds will be used to pay the Additional Coupon Payment; and
- (e) terminate the GIC Guarantee and provide for the collateralisation of the monies held under the Co-op GIC Accounts which will be funded by the issuance by the Issuer of a new variable funding note (the **N VFN**) the proceeds of which will be used to fund the Co-op Collateral Amount.

## EXTRAORDINARY RESOLUTION OF THE CLASS A2 NOTEHOLDERS

"THAT this Meeting of the holders of £270,000,000 Class A2a Mortgage Backed Floating Rate Notes due 2037 (the **Class A2a Notes** and holders thereof, the **Class A2a Noteholders**), U.S.\$462,000,000 Class A2b Mortgage Backed Floating Rate Notes due 2037 (the **Class A2b Notes** and holders thereof, the **Class A2b Noteholders**) and €365,000,000 Class A2c Mortgage Backed Floating Rate Notes due 2037 (the **Class A2c Notes** and holders thereof, the **Class A2c Noteholders**) presently outstanding (the Class A2a Notes, Class A2b Notes, Class A2c Notes together, the **Class A2 Notes** and the holders thereof, the **Class A2 Noteholders**) issued by Leek Finance Number Seventeen plc (the **Issuer**) constituted by the Trust Deed dated 12 April 2006 (the **Trust Deed**) made between the Issuer and Capita Trust Company Limited (the **Trustee**) as trustee for the Secured Creditors including holders of the Class A2 Notes hereby:

1. approves and assents to the Noteholder Proposal;
2. assents to and authorises, directs, requests and empowers the Trustee to consent to the Noteholder Proposal and the modification of the Transaction Documents, the Trust Deed and the Conditions relating to the Notes and pursuant to the First Supplemental Trust Deed and the Supplemental Deed of Charge, the Global Amendment and Restatement Deed (as defined below) and to enter into the new documents, the Co-op Multi-Currency Loan Agreement and the Custody Account Agreement (each substantially in the form of the draft produced to this meeting and for the purpose of identification signed by the Chairman thereof), pursuant to which:
  - 2.1 all classes of Noteholders will be provided with an investor redemption option (the **Investor Redemption Option**) pursuant to which a Noteholder may elect to have his Notes redeemed at the relevant Maturity Redemption Amount.
  - 2.2 the redemption of Notes subject to the Investor Redemption Option will be funded through the issuance of variable funding notes corresponding to each Class of Notes being redeemed (respectively, the J1 VFN, the J2 VFN, the J3 VFN and the J4 VFN and, together, the **J VFN**);
  - 2.3 increased credit enhancement will be provided to the Notes. The Issuer will purchase UK Gilts using the proceeds of the issuance of a new variable funding note (the **K VFN**) to be subscribed to and funded by The Co-operative Bank p.l.c. (**The Co-operative Bank**);
  - 2.4 a new custody account in the name of the Issuer will be established and charged in favour of the Trustee and the income generated from the UK Gilts will be added to Income Received whilst the cash received from the redemption of the UK Gilts will be added to Principal Received. Any interest received on the UK Gilts in excess of the interest due on the K VFN will be used to redeem the K VFN in accordance with the amended Pre-Enforcement Interest Priority of Payments. To the extent there is insufficient Applied Income to pay interest on the K VFN on an Interest Payment Date, such unpaid interest amount will be capitalised, a new Condition 5(i) (*Interest Deferral*) will be inserted. The K VFN will rank junior to the existing Notes and the Required Amount in the Payments Priorities;
  - 2.5 Standard & Poor's will be removed from the Securitisation. Pursuant to the amendments, all references to S&P and any S&P criteria or requirements contained in the Transaction Documents will be deleted and all obligations on any of the parties thereto to comply with any of the S&P criteria or requirements shall cease to have effect;
  - 2.6 the A Noteholders will receive an additional payment (the **Additional Coupon Payment**) on the final Interest Payment Date of the A Notes. The Issuer will issue a new variable funding note (the **L VFN**) the proceeds of which will be used to make three term loans (the **Co-op Multi-Currency Loans**) to The Co-operative Bank. The Co-op Multi-Currency Loans will

be repayable on the Additional Coupon Payment Date and the repayment proceeds will be used to pay the Additional Coupon Payment; and

- 2.7 the GIC Guarantee will be terminated and the documents will provide for the collateralisation of the monies held under the Co-op GIC Accounts which will be funded by the issuance by the Issuer of a new variable funding note (the N VFN) the proceeds of which will be used to fund the Co-op Collateral Amount.
3. sanctions and assents to every abrogation, modification, compromise or arrangement in respect of the rights of the Class A2 Noteholders appertaining to the Class A2 Notes against the Issuer, whether or not such rights arise under the Trust Deed, involved in or resulting from or to be effected by, the modifications referred to in paragraphs (1) and (2) of this Resolution and their implementation;
  4. authorises, directs, requests and empowers the Trustee to concur in the modifications referred to in paragraphs (1) and (2) of this Resolution and, in order to give effect thereto and to implement the same, forthwith to execute the global amendment and restatement deed substantially in the form of the draft produced to this Meeting and for the purpose of identification signed by the Chairman thereof (the **Global Amendment and Restatement Deed**); the First Supplemental Trust Deed substantially in the form of the draft produced to this Meeting and for the purpose of identification signed by the Chairman thereof; the Supplemental Deed of Charge substantially in the form of the draft produced to this Meeting and for the purpose of identification signed by the Chairman thereof; the Custody Account Agreement substantially in the form of the draft produced to this Meeting and for the purpose of identification signed by the Chairman thereof; and the Co-op Multi-Currency Loan Agreement substantially in the form of the draft produced to this Meeting and for the purpose of identification signed by the Chairman thereof; and to concur in, and to execute and do, all such other deeds, instruments, acts and things as may be necessary or appropriate to carry out and give effect to this Resolution and the implementation of the modifications referred to in paragraphs (1) and (2) of this Resolution;
  5. discharges and exonerates the Trustee from all liability for which it may have become or may become responsible under the Trust Deed, the Notes or any of the Transaction Documents in respect of any act or omission in connection with this Extraordinary Resolution, the Consent Solicitation Memorandum, the Noteholder Proposal and/or the Global Amendment and Restatement Deed; and
  6. agrees that capitalised terms in this document which are not defined herein shall have the meanings given to them in the Consent Solicitation Memorandum dated 30 March 2011 and/or the Trust Deed (including the Conditions) (copies of which are available on display as referred to in the Notice of Class A2 Noteholder Meeting)."

### **NOTEHOLDER PROPOSAL**

The Issuer has convened the Meeting of the Class A2 Noteholders by the above notice to request that Class A2 Noteholders consider and agree by Extraordinary Resolution to the matters contained in the Extraordinary Resolution set out above.

The Noteholder Proposal is being put to Class A2 Noteholders for the reasons set out in the Consent Solicitation Memorandum.

**Class A2 Noteholders are referred to the Consent Solicitation Memorandum which provides further background to, the full reasons for, and further implications of, the Noteholder Proposal.**

## GENERAL INFORMATION

The attention of Class A2 Noteholders are particularly drawn to the quorum required for the Meeting and for an adjourned Meeting which is set out in paragraph C of **Voting and Quorum** below.

Copies of the Trust Deed (including the Conditions) and the draft Global Amendment and Restatement Deed, the draft Custody Account Agreement, the draft Co-op Multi-Currency Loan Agreement, the draft Supplemental Deed of Charge and the draft First Supplemental Trust Deed referred to in the Extraordinary Resolution set out above and of certain other relevant documents will be available for inspection by Class A2 Noteholders at the specified office of the Principal Paying Agent set out below.

## VOTING AND QUORUM

**IMPORTANT:** The Class A2 Notes are currently in fully-registered global form. The registered global notes are either (i) held by, and registered in the name of HSBC Issuer Services Common Depository Nominee (UK) Limited as nominee for, a common depository for Euroclear Bank S.A./N.V. (**Euroclear**) and Clearstream Banking, société anonyme (**Clearstream, Luxembourg**) or (ii) held by a custodian for, and registered in the name of Cede & Co. as nominee for, The Depository Trust Company (**DTC**, together with Euroclear, the **Clearing Systems** and each a **Clearing System**).

The provisions governing the convening and holding of the Meeting are set out in Schedule 3 to the Trust Deed, a copy of which is available for inspection as referred to above. The voting procedures for the meetings are different depending on whether the Class A2 Notes are held through Euroclear and Clearstream, Luxembourg or DTC. The two procedures are described below.

### **A. For Class A2 Notes held through Euroclear or Clearstream, Luxembourg:**

*This section A only applies to Class A2 Notes held through Euroclear or Clearstream, Luxembourg.*

The provisions governing the convening and holding of a Meeting are set out in the Schedule 3 to the Trust Deed, a copy of which is available for inspection by the Class A2 Noteholders during normal business hours at the specified office of the Principal Paying Agent set out below.

A Class A2 Noteholder wishing to attend a Meeting in person must produce at such Meeting a valid voting certificate issued by the Principal Paying Agent relating to the Class A2 Note(s) in respect of which he wishes to vote.

A Class A2 Noteholder not wishing to attend and vote at a Meeting in person may give a voting instruction (by giving his voting instructions to Clearstream, Luxembourg and/or Euroclear) instructing the Principal Paying Agent to appoint a proxy to attend and vote at such Meeting in accordance with his instructions.

A Class A2 Noteholder must request Clearstream, Luxembourg and/or Euroclear to block the Class A2 Notes in his own account and to hold the same to the order or under the control of the Principal Paying Agent not later than 48 hours before the time appointed for holding the Meeting in order to obtain voting certificates or give voting instructions in respect of the Meeting. Class A2 Notes so blocked will not be released until the earlier of:

- (a) the conclusion of the Meeting (or, if applicable, any adjournment of such Meeting); and
- (b) (i) in respect of (a) voting certificate(s), the surrender to the Principal Paying Agent of such voting certificate(s) and notification by the Principal Paying Agent to the relevant Clearing System of such surrender or the compliance in such other manner with the rules of Clearstream, Luxembourg and/or Euroclear ; or

- (ii) in respect of voting instructions, not less than 48 hours before the time for which the Meeting (or, if applicable, any adjournment of such Meeting) is convened, the notification in writing of any revocation of a Class A2 Noteholder's previous instructions to the Principal Paying Agent and the same then being notified in writing by the Principal Paying Agent to the Issuer and the Trustee at least 24 hours before the time appointed for holding the Meeting and such Class A2 Notes ceasing in accordance with the procedures of Clearstream, Luxembourg and/or Euroclear and with the agreement of the Principal Paying Agent to be held to its order or under its control.

**B. For Class A2 Notes held through DTC:**

*This section B only applies to Class A2b Notes held through DTC.*

For the purposes of Class A2b Notes held through DTC, each direct participant in DTC holding a principal amount of the Class A2b Notes, as reflected in the records of DTC, as at the close of business in New York on 29 March 2011 (the **Record Date**) will be considered to be a Class A2b Noteholder upon DTC granting an omnibus proxy authorising DTC direct participants to vote at the relevant Meeting.

The Record Date has been fixed as the date for the determination of Class A2b Noteholders entitled to vote at the Meetings. The delivery of a Form of Proxy, as defined and described below, will not affect a Class A2b Noteholder's right to sell or transfer any Class A2b Notes, and a sale or transfer of any Class A2b Notes after the Record Date will not have the effect of revoking any Form of Proxy properly delivered by a Class A2b Noteholder. Therefore, each properly delivered Form of Proxy will remain valid notwithstanding any sale or transfer of any Class A2b Notes to which such Form of Proxy relates.

A DTC direct participant, duly authorised by an omnibus proxy from DTC, may, by an instrument in writing in the English language (a **Form of Proxy**) in the form available from the office of the U.S. Registrar specified below duly executed by such DTC direct participant and delivered to the specified office of the U.S. Registrar no later than 48 hours before the time fixed for the relevant Meeting, appoint any person (a **proxy**) to act on his or its behalf in connection with any Meeting and any adjourned such Meeting.

A proxy so appointed shall so long as such appointment remains in force be deemed, for all purposes in connection with the relevant Meeting (or any adjourned such Meeting) to be the holder of the Class A2b Notes to which such appointment relates and the relevant Noteholder shall be deemed for such purposes not to be the holder.

Only Noteholders (i.e. DTC direct participants) or their duly designated proxies may deliver a Form of Proxy. A beneficial owner of an interest in Class A2b Notes held through a DTC direct participant must direct such DTC direct participant to deliver a Form of Proxy on its behalf or obtain a properly completed irrevocable proxy that authorises it or someone else acting on its behalf to deliver a Form of Proxy.

Any DTC direct participant (or its duly designated proxy) who intends to deliver one or more properly completed Forms of Proxy should deliver the same by registered mail, hand delivery, overnight courier or by e-mail or facsimile (with an original delivered subsequently) to the U.S. Registrar at its address, e-mail address or facsimile number set forth below. Such Forms of Proxy must be received by the U.S. Registrar no later than 48 hours before the time fixed for the relevant Meeting.

The ownership of Class A2b Notes held through DTC by DTC direct participants shall be established by a DTC security position listing provided by DTC as of the Record Date.

**C. General provisions relating to the Meetings:**

1. The quorum at any meeting for passing an Extraordinary Resolution shall (subject as provided below) be two or more persons present holding Class A2 Notes or voting certificates or being

proxies in respect thereof and holding or representing in the aggregate not less than one more than 50 per cent. of the aggregate Sterling Principal Amount Outstanding of the Class A2 Notes for the time being outstanding. If, within fifteen minutes after the time appointed for a Meeting, a quorum is not present at the Meeting, the Meeting shall be adjourned for such period (which shall be not less than 14 clear days and not more than 42 clear days) and to such place as the Chairman determines (with the approval of the Trustee). The Extraordinary Resolution will be considered at an adjourned Meeting (notice of which will be given to the Class A2 Noteholders). The quorum at such an adjourned Meeting will be two or more persons present holding Class A2 Notes or voting certificates or being proxies in respect thereof and holding or representing the fraction of the aggregate principal amount of the outstanding Class A2 Notes actually present at the meeting and shall have the power to pass the Extraordinary Resolution.

2. Every question submitted to each Meeting will be decided on a show of hands unless a poll is duly demanded by the Chairman of the Meeting, the Issuer, the Trustee or by any person present being a proxy representing or holding not less than 2 per cent. of the aggregate Sterling Principal Amount Outstanding of the outstanding Class A2 Notes. On a show of hands every person who is present in person and is a proxy shall have one vote. On a poll every person who is so present in person and is a proxy shall have one vote in respect of: (i) in the case of the Class A2a Notes, one vote in respect of each £100,000 of the initial Principal Amount Outstanding represented or held by him, (ii) in the case of the Class A2b Notes one vote in respect of each U.S.\$100,000 of the initial Principal Amount Outstanding represented or held by him, (iii) in the case of Class A2c Notes, one vote in respect of each €100,000 of the initial Principal Amount Outstanding represented or held by him.
3. To be passed, the Extraordinary Resolution requires a majority in favour consisting of not less than 75 per cent. of the votes cast on such Extraordinary Resolution. If passed, each Extraordinary Resolution will be binding upon all the Class A2 Noteholders, whether or not present at the relevant Meeting and whether or not voting.

**HSBC BANK PLC**  
**(Principal Paying Agent)**  
8 Canada Square  
London E14 5HQ  
United Kingdom

**HSBC BANK USA, NATIONAL ASSOCIATION**  
**(U.S. Registrar)**  
452 Fifth Avenue  
New York  
NY 10018-2706

**CAPITA TRUST COMPANY LIMITED**  
**(Trustee)**  
7th Floor  
Phoenix House  
18 King William Street  
London EC4N 7HE

This Notice is given by:  
LEEK FINANCE NUMBER SEVENTEEN PLC  
Pellipar House  
1st Floor  
9 Cloak Lane  
London EC4R 2RU

Dated 30 March 2011.

Class A2 Noteholders whose Class A2 Notes are held by Euroclear or Clearstream, Luxembourg should contact the Principal Paying Agent for further information:

HSBC Bank plc, 8 Canada Square, London E14 5HQ, United Kingdom, Attention: The Senior Manager, CT Client Services, Corporate Trust and Loan Agency, Tel: +44 20 7991 3745, Fax: +44 20 7260 8932.

Class A2 Noteholders whose Class A2 Notes are held by DTC should contact the U.S. Registrar for further information:

HSBC Bank USA, National Association, 452 Fifth Avenue, New York, NY 10018-2706, Attention: Elena Zheng, Tel: +1 212 525 1367, Fax: +1 212 525 1300, Email: [Elena.zheng@us.hsbc.com](mailto:Elena.zheng@us.hsbc.com).