11 MAY 2011

LEEK FINANCE NUMBER NINETEEN PLC ANNOUNCEMENT TO ALL NOTEHOLDERS

£28,000,000 CLASS A1a MORTGAGE BACKED FLOATING RATE NOTES DUE 2038 (ISIN: XS0294474464),

U.S.$255,000,000 CLASS A1b MORTGAGE BACKED FLOATING RATE NOTES DUE 2038 (REGULATION S NOTES ISIN: XS0294475867, RULE 144A NOTES ISIN: US52426WAA45),

£110,000,000 CLASS A2a MORTGAGE BACKED FLOATING RATE NOTES DUE 2038 (ISIN: XS0294479778),

U.S.$624,100,000 CLASS A2b MORTGAGE BACKED FLOATING RATE NOTES DUE 2038 (REGULATION S NOTES ISIN: XS0294480602, RULE 144A NOTES ISIN: US52426WAB28),

€124,500,000 CLASS A2c MORTGAGE BACKED FLOATING RATE NOTES DUE 2038 (ISIN: XS0294482483),

£23,000,000 CLASS Ma MORTGAGE BACKED FLOATING RATE NOTES DUE 2038 (ISIN: XS0294483614),

€68,000,000 CLASS Mc MORTGAGE BACKED FLOATING RATE NOTES DUE 2038 (ISIN: XS0294484349),

£12,000,000 CLASS Ba MORTGAGE BACKED FLOATING RATE NOTES DUE 2038 (ISIN: XS0294484778),

€51,000,000 CLASS Bc MORTGAGE BACKED FLOATING RATE NOTES DUE 2038 (ISIN: XS0294485072),

£6,000,000 CLASS Ca MORTGAGE BACKED FLOATING RATE NOTES DUE 2038 (ISIN: XS0294485403),

€32,900,000 CLASS Cc MORTGAGE BACKED FLOATING RATE NOTES DUE 2038 (ISIN: XS0294486476),

£13,000,000 CLASS Da MORTGAGE BACKED FLOATING RATE NOTES DUE 2038 (ISIN: XS0294486559), AND

€6,700,000 CLASS Dc MORTGAGE BACKED FLOATING RATE NOTES DUE 2038 (ISIN: XS0294486716) (THE NOTES)

ANNOUNCEMENT OF THE PASSING OF AN EXTRAORDINARY RESOLUTION RELATING TO THE £110,000,000 CLASS A2A MORTGAGE BACKED FLOATING RATE NOTES DUE 2038 (ISIN: XS0294479778), U.S.$624,100,000 CLASS A2B MORTGAGE BACKED FLOATING RATE NOTES DUE 2038 (REGULATION S NOTES ISIN: XS0294480602, RULE 144A NOTES ISIN: US52426WAB28) AND €124,500,000 CLASS A2C MORTGAGE BACKED FLOATING RATE NOTES DUE 2038 (ISIN: XS0294482483) (THE CLASS A2 NOTES)

The Issuer has announced that at the meeting of the holders of the Class A2 Notes (the **Class A2 Noteholders**) convened by the notice given through Clearstream and Euroclear on 30 March 2011 and held on 11 May 2011 at the offices of Allen & Overy LLP, One Bishops Square, London E1 6AD, the Class A2 Noteholders duly passed an extraordinary resolution approving, amongst other things, (i) the removal of S&P from the Conditions and the Transaction Documents, (ii) the addition of an investor redemption option for all Noteholders, (iii) additional credit enhancement of the Notes by the purchase of UK Gilts by the Issuer, (iv) the insertion of an Additional Coupon Payment for the Class A Noteholders and (v) the collateralisation of the monies held under the Co-op GIC Account (the **Class A2 Noteholder Proposal**), all as more particularly

set out in the Consent Solicitation Memorandum dated 30 March 2011 (the **Consent Solicitation Memorandum**).

The amendments will take effect on the 6 June 2011 (the **Implementation Date**) and pursuant to the amendments:

(a) 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 by the Issuer at the Principal Amount Outstanding of the relevant Notes adjusted for any principal deficiencies in the Portfolio applicable to those Notes, as further set out in the documents. 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, J4 VFN and the J5 VFN and, together, the **J VFN**);

(b) the credit enhancement of the Notes will be increased by the purchase of UK Gilts by the Issuer 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. Such 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)(ii) (Interest Deferral) will be inserted. The K VFN will rank junior to the existing Notes and the Required Amount in the Payments Priorities;

(c) 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) the A Noteholders will receive an additional payment (the **Additional Coupon Payment**) on the final Interest Payment Date of the Class A2 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

(e) upon the termination of the RBS GIC Guarantee on the Step Up Date, 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.

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

Requests for information in relation to the meeting of the Class A2 Noteholders should be directed to:

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