

# Coventry Building Society Covered Bonds

## Investor Report

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### Reporting Information

|                  |                          |
|------------------|--------------------------|
| Reporting Date   | 31/01/2014               |
| Reporting Period | 01/12/2013 to 31/12/2013 |

### Investor Relations Contacts

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### Outstanding Issuances

| Coventry Building Society Covered Bond Series | Issue Date |
|---|------------|
| 1   | 22/07/2008 |
| 2   | 20/11/2008 |
| 3   | 19/04/2011 |
| 4   | 24/10/2011 |
| 5   | 10/02/2012 |



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## Investor Report

Mortgage Assets

All values are in pounds sterling unless otherwise stated

### Assets

|   | Prior Period   | Current Period |
|---|----------------|----------------|
| Number of mortgage accounts in Pool       | 40,641         | 40,511         |
| Number of loans in Pool                   | 47,476         | 47,317         |
| True Balance of mortgage accounts in Pool | £4,380,355,324 | £4,383,594,294 |
| Cash and other Substitution Assets        | £94,040,642    | £91,652,698    |

### Asset types

|                            |               |
|----------------------------|---------------|
| Commercial mortgages       | Not permitted |
| ABS                        | Not permitted |
| Non-first lien             | Not permitted |
| Non-UK mortgages           | Not permitted |
| % UK residential mortgages | 100.0         |
| % First lien               | 100.0         |
| % Buy to Let               | 0.0           |

### Collections

|                      | Prior Period | Current Period |
|----------------------|--------------|----------------|
| Mortgage Collections | £80,148,747  | £77,521,897    |

### Yield Analysis

|  | Prior Period | Current Period |
|--|--------------|----------------|
| Weighted Average Pre-Swap Mortgage Yield | 3.40%        | 3.40%          |

### Arrears Analysis (excluding Properties in Possession)

| Months in Arrears | Number of Mortgage Accounts | % of total    | True Balance (£)     | % of total balance | Arrears Balance (£) |
|-------------------|-----------------------------|---------------|----------------------|--------------------|---------------------|
| Current           | 40,364                      | 99.6%         | 4,366,992,276        | 99.6%              | -                   |
| >0 and <1         | 96                          | 0.2%          | 11,105,621           | 0.3%               | 26,378              |
| >=1 and <2        | 51                          | 0.1%          | 5,496,398            | 0.1%               | 36,111              |
| >=2 and <3        | -                           | -             | -                    | -                  | -                   |
| >=3 and <6        | -                           | -             | -                    | -                  | -                   |
| >=6 and <12       | -                           | -             | -                    | -                  | -                   |
| >=12              | -                           | -             | -                    | -                  | -                   |
| <b>Totals</b>     | <b>40,511</b>               | <b>100.0%</b> | <b>4,383,594,294</b> | <b>100.0%</b>      | <b>62,489</b>       |

Arrears capitalised in the period have not been included in the above balances.

### Arrears capitalised in the period

|                     | Number of Mortgage Accounts | % of total | True Balance (£) | % of total balance | Arrears Balance (£) |
|---------------------|-----------------------------|------------|------------------|--------------------|---------------------|
| Capitalised arrears | 3                           | 0.01%      | 542,368          | 0.01%              | 370                 |

There were no defaults and losses (following any sales or recoveries) in the current period, and cumulative amounts are nil.

There were no repossessions made and no stock of repossessions held in the current period.

### Reconciliation of movements

|  | Number of loans | Balance (£)          |
|--|-----------------|----------------------|
| Opening totals                           | 40,641          | 4,380,355,324        |
| Loans added to pool                      | 828             | 131,022,874          |
| Loans repurchased from pool              | (555)           | (65,098,151)         |
| <i>of which are non-performing loans</i> | <i>(48)</i>     | <i>(3,798,995)</i>   |
| <i>of which have breached R&amp;Ws</i>   | <i>(10)</i>     | <i>(1,475,466)</i>   |
| Redemptions                              | (403)           | (41,879,122)         |
| Principal receipts                       |                 | (20,327,684)         |
| Other movements                          |                 | (478,947)            |
| <b>Closing totals</b>                    | <b>40,511</b>   | <b>4,383,594,294</b> |

### Analysis of accounts with associated savings balances

|                               | Number of loans | Balance (£)          | Savings (£)       |
|-------------------------------|-----------------|----------------------|-------------------|
| Loans with Offset arrangement | 4,913           | 556,418,173          | 41,221,908        |
| Other loans                   | 42,404          | 3,827,176,121        | 22,588,689        |
| <b>Totals</b>                 | <b>47,317</b>   | <b>4,383,594,294</b> | <b>63,810,597</b> |

The savings balance shows the maximum of the savings and current loan balance

# Coventry Building Society Covered Bonds

## Investor Report

## Mortgage Portfolio Breakdown

### Summary Statistics

|                  | Seasoning (months) | Remaining term (months) | Loan Size (£) |               |           | Non-Indexed LTV (%) | Indexed LTV (%) | Arrears Balance (£) |
|------------------|--------------------|-------------------------|---------------|---------------|-----------|---------------------|-----------------|---------------------|
|                  |                    |                         | Whole Pool    | Interest only | Repayment |                     |                 |                     |
| Weighted Average | 41.5               | 205.5                   | 108,208       | 131,569       | 103,569   | 54.8%               | 51.1%           | 425                 |
| Min              | 3.0                | 0.0                     | 0             | 133           | 0         | 0.0%                | 0.0%            | 0                   |
| Max              | 107.9              | 419.4                   | 999,189       | 999,189       | 993,734   | 100.2%              | 88.1%           | 1,817               |

### Principal Payment Rates (PPR)

|                      | Monthly | 3 Month Average | Annualised |
|----------------------|---------|-----------------|------------|
| Current PPR - Total  | 1.42%   | 1.52%           | 16.77%     |
| Previous PPR - Total | 1.51%   | 1.54%           | 16.96%     |

The rates shown in this table are calculated from the total Principal Receipts in the month including contractual repayments, unscheduled prepayments and redemptions.

### Constant Prepayment Rates (CPPR)

|                       | Monthly | 3 Month Average | Annualised |
|-----------------------|---------|-----------------|------------|
| Current CPPR - Total  | 1.07%   | 1.15%           | 12.98%     |
| Previous CPPR - Total | 1.13%   | 1.17%           | 13.20%     |

The rates shown in this table are calculated from the total Unscheduled Principal Receipts in the month from unscheduled prepayments and redemptions only.

### Constant Default Rates (CDR)

|                           | Monthly | 3 Month Average | Annualised |
|---------------------------|---------|-----------------|------------|
| Current CDR Rate - Total  | 0.00%   | 0.00%           | 0.00%      |
| Previous CDR Rate - Total | 0.00%   | 0.00%           | 0.00%      |

### Standard Variable Rates

|                                    | CBS Existing Borrower SVR, % | With Effect From |
|------------------------------------|------------------------------|------------------|
| Standard Variable Rate, Current    | 4.74%                        | 01/02/2009       |
| Standard Variable Rate, Historical | 4.99%                        | 01/01/2008       |
| Privilege Rate, Current            | 4.49%                        | 01/02/2009       |
| Privilege Rate, Historical         | 4.79%                        | 01/01/2008       |

The "Privilege Rate" is a variable rate offered to certain owner-occupying borrowers who have been on the same product for five years or more.

# Coventry Building Society Covered Bonds

## Investor Report

## Mortgage Portfolio Breakdown

### Geographical Distribution

| Regions                  | True Balance (£)     | % of total balance | Number of mortgage accounts | % of total accounts |
|--------------------------|----------------------|--------------------|-----------------------------|---------------------|
| East Anglia              | 180,766,540          | 4.1%               | 1,857                       | 4.6%                |
| East Midlands            | 350,362,860          | 8.0%               | 3,939                       | 9.7%                |
| London                   | 656,686,202          | 15.0%              | 3,670                       | 9.1%                |
| North                    | 144,004,237          | 3.3%               | 1,888                       | 4.7%                |
| North West               | 334,872,055          | 7.6%               | 3,712                       | 9.2%                |
| Northern Ireland         | -                    | -                  | -                           | -                   |
| Outer Metropolitan       | 707,918,723          | 16.1%              | 4,738                       | 11.7%               |
| Outer South East         | 538,849,814          | 12.3%              | 4,580                       | 11.3%               |
| Scotland                 | -                    | -                  | -                           | -                   |
| South West               | 437,507,402          | 10.0%              | 4,153                       | 10.3%               |
| Wales                    | 133,043,173          | 3.0%               | 1,546                       | 3.8%                |
| West Midlands            | 595,481,095          | 13.6%              | 6,911                       | 17.1%               |
| Yorkshire and Humberside | 304,102,193          | 6.9%               | 3,517                       | 8.7%                |
| <b>Totals</b>            | <b>4,383,594,294</b> | <b>100.0%</b>      | <b>40,511</b>               | <b>100.0%</b>       |

### Non-indexed Loan to Value ratios

| Range of LTV ratios | True Balance (£)     | % of total balance | Number of mortgage accounts | % of total accounts |
|---------------------|----------------------|--------------------|-----------------------------|---------------------|
| <25%                | 366,345,790          | 8.4%               | 9,690                       | 23.9%               |
| >=25% and <50%      | 1,231,745,346        | 28.1%              | 12,595                      | 31.1%               |
| >=50% and <55%      | 346,472,229          | 7.9%               | 2,680                       | 6.6%                |
| >=55% and <60%      | 419,188,687          | 9.6%               | 2,928                       | 7.2%                |
| >=60% and <65%      | 446,501,348          | 10.2%              | 2,984                       | 7.4%                |
| >=65% and <70%      | 427,729,343          | 9.8%               | 2,835                       | 7.0%                |
| >=70% and <75%      | 539,402,636          | 12.3%              | 3,237                       | 8.0%                |
| >=75% and <80%      | 508,284,696          | 11.6%              | 2,945                       | 7.3%                |
| >=80% and <85%      | 62,718,413           | 1.4%               | 414                         | 1.0%                |
| >=85% and <90%      | 24,581,573           | 0.6%               | 143                         | 0.4%                |
| >=90% and <95%      | 6,645,386            | 0.2%               | 38                          | 0.1%                |
| >=95% and <100%     | 3,828,569            | 0.1%               | 21                          | 0.1%                |
| >=100%              | 150,277              | 0.0%               | 1                           | 0.0%                |
| <b>Totals</b>       | <b>4,383,594,294</b> | <b>100.0%</b>      | <b>40,511</b>               | <b>100.0%</b>       |

### Outstanding True Balances

| Range of outstanding balances (£) | True Balance (£)     | % of total balance | Number of mortgage accounts | % of total accounts |
|-----------------------------------|----------------------|--------------------|-----------------------------|---------------------|
| <5,000                            | 1,374,933            | 0.0%               | 526                         | 1.3%                |
| >=5,000 and <10,000               | 5,288,265            | 0.1%               | 691                         | 1.7%                |
| >=10,000 and <25,000              | 52,573,878           | 1.2%               | 2,949                       | 7.3%                |
| >=25,000 and <50,000              | 233,843,150          | 5.3%               | 6,194                       | 15.3%               |
| >=50,000 and <75,000              | 409,582,735          | 9.3%               | 6,565                       | 16.2%               |
| >=75,000 and <100,000             | 540,310,248          | 12.3%              | 6,197                       | 15.3%               |
| >=100,000 and <150,000            | 1,013,478,201        | 23.1%              | 8,290                       | 20.5%               |
| >=150,000 and <200,000            | 761,812,576          | 17.4%              | 4,429                       | 10.9%               |
| >=200,000 and <250,000            | 463,832,770          | 10.6%              | 2,088                       | 5.2%                |
| >=250,000 and <300,000            | 302,978,542          | 6.9%               | 1,113                       | 2.7%                |
| >=300,000 and <350,000            | 182,868,137          | 4.2%               | 565                         | 1.4%                |
| >=350,000 and <400,000            | 128,635,764          | 2.9%               | 346                         | 0.9%                |
| >=400,000 and <450,000            | 81,176,293           | 1.9%               | 192                         | 0.5%                |
| >=450,000 and <500,000            | 68,010,192           | 1.6%               | 144                         | 0.4%                |
| >=500,000 and <600,000            | 67,626,542           | 1.5%               | 125                         | 0.3%                |
| >=600,000 and <700,000            | 32,071,729           | 0.7%               | 50                          | 0.1%                |
| >=700,000 and <800,000            | 18,280,017           | 0.4%               | 25                          | 0.1%                |
| >=800,000 and <900,000            | 8,403,164            | 0.2%               | 10                          | 0.0%                |
| >=900,000 and <1,000,000          | 11,447,157           | 0.3%               | 12                          | 0.0%                |
| >=1,000,000                       | -                    | -                  | -                           | -                   |
| <b>Totals</b>                     | <b>4,383,594,294</b> | <b>100.0%</b>      | <b>40,511</b>               | <b>100.0%</b>       |

### Employment status

| Employment status | True Balance (£)     | % of total balance | Number of mortgage accounts | % of total accounts |
|-------------------|----------------------|--------------------|-----------------------------|---------------------|
| Employed          | 3,365,716,211        | 76.8%              | 31,834                      | 78.6%               |
| Self-employed     | 879,428,883          | 20.1%              | 6,365                       | 15.7%               |
| Unemployed        | 7,834,770            | 0.2%               | 105                         | 0.3%                |
| Retired           | 94,529,821           | 2.2%               | 1,862                       | 4.6%                |
| Guarantor         | -                    | -                  | -                           | -                   |
| Other             | 36,084,610           | 0.8%               | 345                         | 0.9%                |
| <b>Totals</b>     | <b>4,383,594,294</b> | <b>100.0%</b>      | <b>40,511</b>               | <b>100.0%</b>       |

### Originator

| Originator                | True Balance (£)     | % of total balance | Number of mortgage accounts | % of total accounts |
|---------------------------|----------------------|--------------------|-----------------------------|---------------------|
| Coventry Building Society | 4,383,594,294        | 100.0%             | 47,317                      | 100.0%              |
| <b>Totals</b>             | <b>4,383,594,294</b> | <b>100.0%</b>      | <b>47,317</b>               | <b>100.0%</b>       |

### Indexed Loan to Value ratios

| Range of LTV ratios | True Balance (£)     | % of total balance | Number of mortgage accounts | % of total accounts |
|---------------------|----------------------|--------------------|-----------------------------|---------------------|
| <25%                | 427,430,460          | 9.8%               | 10,361                      | 25.6%               |
| >=25% and <50%      | 1,420,829,516        | 32.4%              | 13,495                      | 33.3%               |
| >=50% and <55%      | 407,846,002          | 9.3%               | 2,926                       | 7.2%                |
| >=55% and <60%      | 469,956,983          | 10.7%              | 3,119                       | 7.7%                |
| >=60% and <65%      | 468,134,150          | 10.7%              | 3,046                       | 7.5%                |
| >=65% and <70%      | 602,675,483          | 13.7%              | 3,807                       | 9.4%                |
| >=70% and <75%      | 536,124,304          | 12.2%              | 3,407                       | 8.4%                |
| >=75% and <80%      | 42,630,809           | 1.0%               | 303                         | 0.7%                |
| >=80% and <85%      | 6,489,456            | 0.1%               | 38                          | 0.1%                |
| >=85% and <90%      | 1,477,132            | 0.0%               | 9                           | 0.0%                |
| >=90% and <95%      | -                    | -                  | -                           | -                   |
| >=95% and <100%     | -                    | -                  | -                           | -                   |
| >=100%              | -                    | -                  | -                           | -                   |
| <b>Totals</b>       | <b>4,383,594,294</b> | <b>100.0%</b>      | <b>40,511</b>               | <b>100.0%</b>       |

### Seasoning of Loans

| Age of loans in months | True Balance (£)     | % of total balance | Number of mortgage accounts | % of total accounts |
|------------------------|----------------------|--------------------|-----------------------------|---------------------|
| <12                    | 436,371,081          | 10.0%              | 2,941                       | 7.3%                |
| >=12 and <24           | 1,147,502,717        | 26.2%              | 8,919                       | 22.0%               |
| >=24 and <36           | 646,424,783          | 14.7%              | 5,913                       | 14.6%               |
| >=36 and <48           | 616,196,765          | 14.1%              | 5,912                       | 14.6%               |
| >=48 and <60           | 500,802,861          | 11.4%              | 4,863                       | 12.0%               |
| >=60 and <72           | 261,698,212          | 6.0%               | 2,850                       | 7.0%                |
| >=72 and <84           | 284,462,148          | 6.5%               | 3,283                       | 8.1%                |
| >=84 and <96           | 273,994,044          | 6.3%               | 3,088                       | 7.6%                |
| >=96 and <108          | 216,141,683          | 4.9%               | 2,742                       | 6.8%                |
| >=108 and <120         | -                    | -                  | -                           | -                   |
| >=120 and <150         | -                    | -                  | -                           | -                   |
| >=150 and <180         | -                    | -                  | -                           | -                   |
| >=180                  | -                    | -                  | -                           | -                   |
| <b>Totals</b>          | <b>4,383,594,294</b> | <b>100.0%</b>      | <b>40,511</b>               | <b>100.0%</b>       |

# Coventry Building Society Covered Bonds

## Investor Report

## Mortgage Portfolio Breakdown

### Product Rate Type and Reversionary Profiles

| Range of outstanding balances (£)                      | True Balance (£)     | % of total balance | Number of mortgage accounts | % of total accounts | Weighted Average Current Rate | Remaining product incentive period (months) | Weighted Average Current margin | Weighted Average Reversionary margin | Weighted Average Initial rate |
|--|----------------------|--------------------|-----------------------------|---------------------|-------------------------------|---|---------------------------------|--------------------------------------|-------------------------------|
| Fixed at origination, reverting to Administered        | 2,320,122,336        | 52.9%              | 22,813                      | 48.2%               | 3.86%                         | 20.9  | 2.97%                           | 4.20%                                | 3.83%                         |
| Fixed at origination, reverting to LIBOR               | -                    | -                  | -                           | -                   | 0.00%                         | -   | 0.00%                           | 0.00%                                | 0.00%                         |
| Fixed at origination, reverting to Tracker             | 247,775,882          | 5.7%               | 3,073                       | 6.5%                | 1.29%                         | 0.1   | 0.79%                           | 0.79%                                | 5.33%                         |
| Fixed for life   | 2,734                | 0.0%               | 2                           | 0.0%                | 0.00%                         | -   | 0.29%                           | 0.29%                                | 0.00%                         |
| Tracker at origination, reverting to Administered      | 413,433,707          | 9.4%               | 3,379                       | 7.1%                | 3.42%                         | 5.7   | 2.92%                           | 4.14%                                | 3.25%                         |
| Tracker at origination, reverting to LIBOR             | -                    | -                  | -                           | -                   | 0.00%                         | -   | 0.00%                           | 0.00%                                | 0.00%                         |
| Tracker for life                                       | 246,152,150          | 5.6%               | 3,165                       | 6.7%                | 1.30%                         | 0.0   | 0.80%                           | 0.80%                                | 4.51%                         |
| Administered, including discount to Administered LIBOR | 1,156,107,485        | 26.4%              | 14,885                      | 31.5%               | 3.27%                         | 0.0   | 2.74%                           | 2.74%                                | 3.69%                         |
|  | -                    | -                  | -                           | -                   | 0.00%                         | -   | 0.00%                           | 0.00%                                | 0.00%                         |
| <b>Totals</b>  | <b>4,383,594,294</b> | <b>100.0%</b>      | <b>47,317</b>               | <b>100.0%</b>       | <b>3.38%</b>                  | <b>11.6</b>                                 | <b>2.66%</b>                    | <b>3.43%</b>                         | <b>3.86%</b>                  |

### Months to maturity of loans

| Months to maturity | True Balance (£)     | % of total balance | Number of mortgage accounts | % of total accounts |
|--------------------|----------------------|--------------------|-----------------------------|---------------------|
| <30                | 53,854,431           | 1.2%               | 1,388                       | 3.4%                |
| >=30 and <60       | 123,934,559          | 2.8%               | 2,440                       | 6.0%                |
| >=60 and <120      | 502,435,590          | 11.5%              | 7,306                       | 18.0%               |
| >=120 and <180     | 881,102,897          | 20.1%              | 9,095                       | 22.5%               |
| >=180 and <240     | 1,271,800,545        | 29.0%              | 10,183                      | 25.1%               |
| >=240 and <300     | 1,153,557,630        | 26.3%              | 7,647                       | 18.9%               |
| >=300 and <360     | 282,159,321          | 6.4%               | 1,708                       | 4.2%                |
| >=360              | 114,749,323          | 2.6%               | 744                         | 1.8%                |
| <b>Totals</b>      | <b>4,383,594,294</b> | <b>100.0%</b>      | <b>40,511</b>               | <b>100.0%</b>       |

### Months to maturity of loans split by Repayment terms

| Months to maturity | Repayment            | Interest Only      | Combination (Interest Only and Repayment) | Total                |
|--------------------|----------------------|--------------------|---|----------------------|
| <30                | 7,376,009            | 39,792,032         | 6,686,390                                 | <b>53,854,431</b>    |
| >=30 and <60       | 38,314,332           | 67,558,680         | 18,061,546                                | <b>123,934,559</b>   |
| >=60 and <120      | 270,050,249          | 166,084,979        | 66,300,362                                | <b>502,435,590</b>   |
| >=120 and <180     | 619,396,666          | 176,557,551        | 85,148,680                                | <b>881,102,897</b>   |
| >=180 and <240     | 989,678,510          | 201,836,910        | 80,285,126                                | <b>1,271,800,545</b> |
| >=240 and <300     | 1,017,517,609        | 100,433,208        | 35,606,813                                | <b>1,153,557,630</b> |
| >=300 and <360     | 268,960,962          | 9,798,857          | 3,399,502                                 | <b>282,159,321</b>   |
| >=360              | 109,841,350          | 1,829,621          | 3,078,351                                 | <b>114,749,323</b>   |
| <b>Totals</b>      | <b>3,321,135,687</b> | <b>763,891,838</b> | <b>298,566,769</b>                        | <b>4,383,594,294</b> |

### Product groups

| Type of rate  | True Balance (£)     | % of total balance | Number of Loans | % of total accounts |
|---------------|----------------------|--------------------|-----------------|---------------------|
| Fixed rate    | 2,088,763,726        | 47.6%              | 19,800          | 41.8%               |
| Capped        | 73,153,912           | 1.7%               | 548             | 1.2%                |
| Tracker       | 734,118,957          | 16.7%              | 7,771           | 16.4%               |
| Administered  | 1,487,557,699        | 33.9%              | 19,198          | 40.6%               |
| <b>Totals</b> | <b>4,383,594,294</b> | <b>100.0%</b>      | <b>47,317</b>   | <b>100.0%</b>       |

### Repayment terms

| Repayment Terms                           | True Balance (£)     | % of total balance | Number of mortgage accounts | % of total accounts |
|---|----------------------|--------------------|-----------------------------|---------------------|
| Repayment                                 | 3,061,219,068        | 69.8%              | 34,977                      | 73.9%               |
| Interest Only                             | 729,735,132          | 16.6%              | 7,030                       | 14.9%               |
| Combination (Interest Only and Repayment) | 36,221,921           | 0.8%               | 397                         | 0.8%                |
| Offset                                    | 556,418,173          | 12.7%              | 4,913                       | 10.4%               |
| <b>Totals</b>                             | <b>4,383,594,294</b> | <b>100.0%</b>      | <b>47,317</b>               | <b>100.0%</b>       |

### Occupancy type

| Occupancy type | True Balance (£)     | % of total balance | Number of Loans | % of total accounts |
|----------------|----------------------|--------------------|-----------------|---------------------|
| Owner-occupied | 4,383,065,506        | 100.0%             | 47,311          | 100.0%              |
| Buy-to-let*    | 528,788              | 0.0%               | 6               | 0.0%                |
| Second home    | -                    | -                  | -               | -                   |
| <b>Totals</b>  | <b>4,383,594,294</b> | <b>100.0%</b>      | <b>47,317</b>   | <b>100.0%</b>       |

### Income verification type

| Income verification type      | True Balance (£)     | % of total balance | Number of mortgage accounts | % of total accounts |
|-------------------------------|----------------------|--------------------|-----------------------------|---------------------|
| Income verification requested | 4,383,594,294        | 100.0%             | 40,511                      | 100.0%              |
| Fast-track                    | -                    | -                  | -                           | -                   |
| Self-certified                | -                    | -                  | -                           | -                   |
| <b>Totals</b>                 | <b>4,383,594,294</b> | <b>100.0%</b>      | <b>40,511</b>               | <b>100.0%</b>       |

\* BTL loans are due to product switches and have since been repurchased.

# Coventry Building Society Covered Bonds

## Investor Report

## Two Dimensional Mortgage Portfolio Breakdown

### No. Months in Arrears

|                              | Total Balance split by Current Indexed LTV |                    |                      |                    |                  |                 |        | Total                |
|------------------------------|--|--------------------|----------------------|--------------------|------------------|-----------------|--------|----------------------|
|                              | >=0% and <50%                              | >=50% and <60%     | >=60% and <70%       | >=70% and <80%     | >=80% and <90%   | >=90% and <100% | >=100% |                      |
| Current                      | 1,844,166,275                              | 874,124,045        | 1,065,135,886        | 575,800,506        | 7,765,564        | -               | -      | 4,366,992,276        |
| <1 Month in Arrears          | 3,078,627                                  | 2,674,526          | 3,201,266            | 1,950,178          | 201,024          | -               | -      | 11,105,621           |
| >=1 and <3 Months in Arrears | 1,015,075                                  | 1,004,413          | 2,472,481            | 1,004,428          | -                | -               | -      | 5,496,398            |
| >=3 and <6 Months in Arrears | -  | -                  | -                    | -                  | -                | -               | -      | -                    |
| >=6 Months in Arrears        | -  | -                  | -                    | -                  | -                | -               | -      | -                    |
| <b>Totals</b>                | <b>1,848,259,977</b>                       | <b>877,802,984</b> | <b>1,070,809,632</b> | <b>578,755,113</b> | <b>7,966,588</b> | -               | -      | <b>4,383,594,294</b> |

### Regional Distribution

|                          | Total Balance split by Current Indexed LTV |                    |                      |                    |                  |                 |        | Total                |
|--------------------------|--|--------------------|----------------------|--------------------|------------------|-----------------|--------|----------------------|
|                          | >=0% and <50%                              | >=50% and <60%     | >=60% and <70%       | >=70% and <80%     | >=80% and <90%   | >=90% and <100% | >=100% |                      |
| East Anglia              | 74,622,905                                 | 35,982,444         | 40,912,686           | 28,276,323         | 972,182          | -               | -      | 180,766,540          |
| East Midlands            | 135,938,816                                | 63,882,612         | 89,889,577           | 59,441,139         | 1,210,715        | -               | -      | 350,362,860          |
| London                   | 307,068,976                                | 152,473,055        | 182,560,974          | 14,583,198         | -                | -               | -      | 656,686,202          |
| North                    | 52,691,712                                 | 24,889,002         | 34,193,429           | 31,624,340         | 605,754          | -               | -      | 144,004,237          |
| North West               | 120,132,402                                | 63,635,634         | 73,844,328           | 75,650,773         | 1,608,919        | -               | -      | 334,872,055          |
| Outer Metropolitan       | 305,130,732                                | 141,930,896        | 173,600,986          | 86,518,479         | 737,630          | -               | -      | 707,918,723          |
| Outer South East         | 243,264,189                                | 113,146,795        | 120,392,156          | 61,814,900         | 231,775          | -               | -      | 538,849,814          |
| South West               | 194,910,563                                | 80,164,439         | 94,480,599           | 67,766,780         | 185,021          | -               | -      | 437,507,402          |
| Wales                    | 49,824,639                                 | 26,728,187         | 31,769,513           | 24,437,007         | 283,827          | -               | -      | 133,043,173          |
| West Midlands            | 250,577,841                                | 116,639,727        | 151,155,498          | 75,249,802         | 1,858,226        | -               | -      | 595,481,095          |
| Yorkshire and Humberside | 114,097,202                                | 58,330,192         | 78,009,887           | 53,392,372         | 272,540          | -               | -      | 304,102,193          |
| <b>Totals</b>            | <b>1,848,259,977</b>                       | <b>877,802,984</b> | <b>1,070,809,632</b> | <b>578,755,113</b> | <b>7,966,588</b> | -               | -      | <b>4,383,594,294</b> |

### Repayment Type

|   | Total Balance split by Current Indexed LTV |                    |                      |                    |                  |                 |        | Total                |
|---|--|--------------------|----------------------|--------------------|------------------|-----------------|--------|----------------------|
|   | >=0% and <50%                              | >=50% and <60%     | >=60% and <70%       | >=70% and <80%     | >=80% and <90%   | >=90% and <100% | >=100% |                      |
| Repayment                                 | 1,212,916,755                              | 634,156,786        | 770,686,668          | 435,892,688        | 7,566,171        | -               | -      | 3,061,219,068        |
| Interest Only                             | 344,167,845                                | 133,389,421        | 167,513,457          | 84,459,844         | 204,564          | -               | -      | 729,735,132          |
| Combination (Interest Only and Repayment) | 20,622,042                                 | 6,074,129          | 7,814,529            | 1,711,220          | -                | -               | -      | 36,221,921           |
| Offset                                    | 270,553,334                                | 104,182,648        | 124,794,978          | 56,691,360         | 195,853          | -               | -      | 556,418,173          |
| <b>Total</b>                              | <b>1,848,259,977</b>                       | <b>877,802,984</b> | <b>1,070,809,632</b> | <b>578,755,113</b> | <b>7,966,588</b> | -               | -      | <b>4,383,594,294</b> |

### Interest Payment Type

|               | % of Total Balance split by Current Indexed LTV |                    |                      |                    |                  |                 |        | Total                |
|---------------|---|--------------------|----------------------|--------------------|------------------|-----------------|--------|----------------------|
|               | >=0% and <50%                                   | >=50% and <60%     | >=60% and <70%       | >=70% and <80%     | >=80% and <90%   | >=90% and <100% | >=100% |                      |
| Fixed         | 815,766,303                                     | 463,370,955        | 495,219,899          | 309,982,404        | 4,424,165        | -               | -      | 2,088,763,726        |
| Capped        | 28,759,990                                      | 19,308,889         | 23,122,207           | 1,962,827          | -                | -               | -      | 73,153,912           |
| Variable      | 1,003,733,684                                   | 395,123,141        | 552,467,527          | 266,809,881        | 3,542,423        | -               | -      | 2,221,676,656        |
| <b>Totals</b> | <b>1,848,259,977</b>                            | <b>877,802,984</b> | <b>1,070,809,632</b> | <b>578,755,113</b> | <b>7,966,588</b> | -               | -      | <b>4,383,594,294</b> |

# Coventry Building Society Covered Bonds

## Investor Report

## Two Dimensional Mortgage Portfolio Breakdown

### No. Months in Arrears

|                              | Total Balance split by Region |                    |                    |                    |                    |                    |                    |                    |                    |                    |                          | Total                |
|------------------------------|-------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------------|----------------------|
|                              | East Anglia                   | East Midlands      | London             | North              | North West         | Outer Metropolitan | Outer South East   | South West         | Wales              | West Midlands      | Yorkshire and Humberside |                      |
| Current                      | 180,509,633                   | 348,993,309        | 653,906,079        | 143,571,937        | 333,890,680        | 706,084,130        | 536,682,393        | 436,537,293        | 132,470,186        | 592,202,244        | 302,144,393              | 4,366,992,276        |
| <1 Month in Arrears          | 252,263                       | 939,621            | 2,167,556          | 287,618            | 892,460            | 879,876            | 1,538,049          | 810,372            | 196,655            | 2,538,425          | 602,725                  | 11,105,621           |
| >=1 and <3 Months in Arrears | 4,644                         | 429,930            | 612,567            | 144,682            | 88,914             | 954,718            | 629,372            | 159,737            | 376,331            | 740,426            | 1,355,076                | 5,496,398            |
| >=3 and <6 Months in Arrears | -                             | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                        | -                    |
| >=6 Months in Arrears        | -                             | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                  | -                        | -                    |
| <b>Total</b>                 | <b>180,766,540</b>            | <b>350,362,860</b> | <b>656,686,202</b> | <b>144,004,237</b> | <b>334,872,055</b> | <b>707,918,723</b> | <b>538,849,814</b> | <b>437,507,402</b> | <b>133,043,173</b> | <b>595,481,095</b> | <b>304,102,193</b>       | <b>4,383,594,294</b> |

### Outstanding True Balance

| Range of outstanding balances (£) | Total Balance split by Region |                    |                    |                    |                    |                    |                    |                    |                    |                    |                          | Total                |
|-----------------------------------|-------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------------|----------------------|
|                                   | East Anglia                   | East Midlands      | London             | North              | North West         | Outer Metropolitan | Outer South East   | South West         | Wales              | West Midlands      | Yorkshire and Humberside |                      |
| <5,000                            | 72,705                        | 152,454            | 77,141             | 103,665            | 129,833            | 77,384             | 131,976            | 169,635            | 41,637             | 279,235            | 139,268                  | 1,374,933            |
| >=5,000 and <10,000               | 182,038                       | 726,424            | 182,424            | 363,667            | 504,856            | 313,965            | 486,650            | 582,055            | 238,567            | 1,120,450          | 587,169                  | 5,288,265            |
| >=10,000 and <25,000              | 2,884,297                     | 6,001,482          | 1,868,332          | 3,669,859          | 5,637,567          | 3,590,942          | 4,957,710          | 5,277,169          | 2,352,288          | 10,576,922         | 5,757,310                | 52,573,870           |
| >=25,000 and <50,000              | 10,833,051                    | 26,243,377         | 8,131,602          | 16,313,604         | 27,263,723         | 14,901,560         | 22,102,604         | 21,062,617         | 10,852,585         | 50,287,675         | 25,850,752               | 233,843,150          |
| >=50,000 and <75,000              | 19,742,522                    | 45,689,931         | 16,737,972         | 22,807,501         | 45,265,503         | 30,354,194         | 38,425,014         | 40,146,844         | 19,670,607         | 87,565,626         | 43,177,022               | 409,582,735          |
| >=75,000 and <100,000             | 27,904,659                    | 61,245,211         | 29,546,207         | 23,486,338         | 51,397,608         | 47,568,798         | 57,197,515         | 58,803,636         | 25,313,844         | 105,504,366        | 52,342,067               | 540,310,248          |
| >=100,000 and <150,000            | 51,767,610                    | 98,691,243         | 88,804,767         | 38,527,832         | 82,199,580         | 133,657,123        | 137,036,390        | 119,567,834        | 36,731,799         | 150,006,392        | 76,487,632               | 1,013,478,201        |
| >=150,000 and <200,000            | 27,906,466                    | 49,988,426         | 137,395,883        | 16,907,326         | 55,215,426         | 149,914,171        | 104,749,228        | 79,215,250         | 17,899,616         | 78,943,574         | 43,677,211               | 761,812,576          |
| >=200,000 and <250,000            | 16,649,501                    | 25,162,420         | 101,074,865        | 9,373,764          | 25,587,242         | 103,873,137        | 66,372,187         | 40,604,282         | 9,329,326          | 42,522,876         | 23,283,171               | 463,832,770          |
| >=250,000 and <300,000            | 7,944,322                     | 16,147,435         | 78,959,463         | 4,695,373          | 17,997,925         | 66,970,801         | 34,811,504         | 32,589,827         | 4,333,239          | 25,890,875         | 12,637,780               | 302,978,542          |
| >=300,000 and <350,000            | 3,877,863                     | 6,086,773          | 52,320,098         | 4,204,387          | 10,327,267         | 49,503,477         | 18,079,706         | 10,327,924         | 3,317,298          | 16,799,397         | 8,023,946                | 182,868,137          |
| >=350,000 and <400,000            | 2,251,447                     | 5,604,689          | 39,731,836         | 745,134            | 5,181,365          | 32,326,753         | 17,576,009         | 11,280,072         | 367,271            | 10,688,714         | 2,882,475                | 128,635,764          |
| >=400,000 and <450,000            | 1,268,868                     | 1,301,639          | 27,044,504         | 1,270,406          | 1,260,085          | 25,625,542         | 9,773,559          | 7,216,596          | 439,569            | 3,804,404          | 2,171,122                | 81,176,293           |
| >=450,000 and <500,000            | 3,258,072                     | 2,845,659          | 19,710,841         | 947,910            | 3,719,965          | 14,785,126         | 11,820,804         | 2,373,221          | 942,359            | 5,679,207          | 1,927,028                | 68,010,192           |
| >=500,000 and <600,000            | 2,155,080                     | 3,212,395          | 24,389,935         | 587,473            | 3,184,111          | 16,019,176         | 9,554,765          | 3,728,505          | 526,427            | 2,741,619          | 1,527,056                | 67,626,542           |
| >=600,000 and <700,000            | 1,233,455                     | 1,263,301          | 14,214,106         | -                  | -                  | 7,103,330          | 1,873,742          | 3,761,060          | 686,742            | 641,896            | 1,294,098                | 32,071,729           |
| >=700,000 and <800,000            | -                             | -                  | 7,255,925          | -                  | -                  | 5,948,029          | 2,245,435          | -                  | -                  | 1,428,680          | 1,401,947                | 18,280,017           |
| >=800,000 and <900,000            | 834,583                       | -                  | 2,540,476          | -                  | -                  | 2,572,214          | 1,655,016          | 800,875            | -                  | -                  | -                        | 8,403,164            |
| >=900,000 and <1,000,000          | -                             | -                  | 6,699,827          | -                  | -                  | 2,813,001          | -                  | -                  | -                  | 999,189            | 935,140                  | 11,447,157           |
| <b>Total</b>                      | <b>180,766,540</b>            | <b>350,362,860</b> | <b>656,686,202</b> | <b>144,004,237</b> | <b>334,872,055</b> | <b>707,918,723</b> | <b>538,849,814</b> | <b>437,507,402</b> | <b>133,043,173</b> | <b>595,481,095</b> | <b>304,102,193</b>       | <b>4,383,594,294</b> |

### Average Mortgage size

|  |        |        |         |        |        |         |         |         |        |        |        |
|--|--------|--------|---------|--------|--------|---------|---------|---------|--------|--------|--------|
|  | 97,343 | 88,947 | 178,934 | 76,273 | 90,213 | 149,413 | 117,653 | 105,347 | 86,056 | 86,164 | 86,466 |
|--|--------|--------|---------|--------|--------|---------|---------|---------|--------|--------|--------|

### Repayment Type

|   | Total Balance split by Region |                    |                    |                    |                    |                    |                    |                    |                    |                    |                          | Total                |
|---|-------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------------|----------------------|
|   | East Anglia                   | East Midlands      | London             | North              | North West         | Outer Metropolitan | Outer South East   | South West         | Wales              | West Midlands      | Yorkshire and Humberside |                      |
| Repayment                                 | 132,012,501                   | 255,078,417        | 437,096,512        | 99,924,583         | 237,941,838        | 485,681,285        | 371,718,851        | 287,491,075        | 91,438,478         | 441,096,145        | 221,739,383              | 3,061,219,068        |
| Interest Only                             | 25,897,127                    | 44,876,060         | 128,390,860        | 23,353,114         | 50,878,788         | 123,594,537        | 96,555,549         | 92,552,869         | 23,922,064         | 82,047,808         | 37,666,357               | 729,735,132          |
| Combination (Interest Only and Repayment) | 2,547,281                     | 3,538,377          | 2,780,108          | 1,348,410          | 2,086,048          | 5,617,012          | 4,469,573          | 3,262,248          | 448,524            | 7,487,810          | 2,636,530                | 36,221,921           |
| Offset                                    | 20,309,631                    | 46,870,007         | 88,418,722         | 19,378,130         | 43,965,381         | 93,025,889         | 66,105,842         | 54,201,209         | 17,234,107         | 64,849,332         | 42,059,923               | 556,418,174          |
| <b>Total</b>                              | <b>180,766,540</b>            | <b>350,362,860</b> | <b>656,686,202</b> | <b>144,004,237</b> | <b>334,872,055</b> | <b>707,918,723</b> | <b>538,849,814</b> | <b>437,507,402</b> | <b>133,043,173</b> | <b>595,481,095</b> | <b>304,102,193</b>       | <b>4,383,594,294</b> |

52.4%

### Interest Payment Type

|              | Total Balance split by Region |                    |                    |                    |                    |                    |                    |                    |                    |                    |                          | Total                |
|--------------|-------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------------|----------------------|
|              | East Anglia                   | East Midlands      | London             | North              | North West         | Outer Metropolitan | Outer South East   | South West         | Wales              | West Midlands      | Yorkshire and Humberside |                      |
| Fixed        | 85,947,002                    | 156,977,010        | 344,199,597        | 62,164,927         | 154,948,749        | 372,354,926        | 267,532,892        | 216,259,426        | 60,056,829         | 229,537,249        | 138,785,121              | 2,088,763,726        |
| Capped       | 2,838,677                     | 3,683,468          | 13,242,304         | 1,917,511          | 4,898,767          | 14,866,755         | 11,277,854         | 8,809,966          | 1,368,300          | 7,081,261          | 3,169,049                | 73,153,912           |
| Variable     | 91,980,861                    | 189,702,382        | 299,244,301        | 79,921,799         | 175,024,540        | 320,697,043        | 260,039,069        | 212,438,010        | 71,618,043         | 358,862,585        | 162,148,023              | 2,221,676,656        |
| <b>Total</b> | <b>180,766,540</b>            | <b>350,362,860</b> | <b>656,686,202</b> | <b>144,004,237</b> | <b>334,872,055</b> | <b>707,918,723</b> | <b>538,849,814</b> | <b>437,507,402</b> | <b>133,043,173</b> | <b>595,481,095</b> | <b>304,102,193</b>       | <b>4,383,594,294</b> |

# Coventry Building Society Covered Bonds

## Investor Report

## Key Events & Parties

### Summary of Tests & Triggers

| Event   | Summary  | Trigger   | Fitch Rating Trigger | Fitch Current Rating                 | Moody's Rating Trigger | Moody's Current Rating | Breached | Consequence if Trigger Breached  |
|---|--|---|----------------------|--------------------------------------|------------------------|------------------------|----------|--|
| <b>Issuer Event of Default</b>  | Issuer failure to pay on Covered Bonds or issuer insolvency  | Issuer failure to pay on Covered Bonds or issuer insolvency                     | N/A                  | N/A                                  | N/A                    | N/A                    | No       | Activates the Covered Bond Guarantee   |
| <b>Servicer Trigger (1)</b>   | Servicer's ratings fall below required levels                | (Initial) Moody's short-term: P-2 , Fitch short-term: F2                        | F2                   | F1                                   | P-2                    | P-2                    | No       | At initial trigger, direct funds to account held with Stand-by Account Bank      |
| <b>Servicer Trigger (2)</b>   | Servicer's ratings fall below required levels                | (Subsequent) Moody's long-term: Baa1, Fitch long-term: BBB                      | BBB                  | A                                    | Baa1                   | A3                     | No       | Replace servicer within 60 days at subsequent breach                             |
| <b>Asset Coverage Test</b>  | Failure of Asset Coverage Test                               | Adjusted Aggregate Loan Amount less than Aggregate Principal Amount Outstanding | N/A                  | N/A                                  | N/A                    | N/A                    | No       | If not remedied within three calculation dates, triggers Issuer Event of Default |
| <b>Interest Rate Shortfall Test</b>   | Failure of Interest Rate Shortfall Test                      | Forecast revenue insufficient to fund the next month's payments                 | N/A                  | N/A                                  | N/A                    | N/A                    | No       | Consider a cash capital contribution   |
| <b>Interest Coverage Test</b>   | Interest received in next 12 months exceeds interest payable | Amount received is less than amount payable                                     | N/A                  | N/A                                  | N/A                    | N/A                    | No       | Regulatory action  |
| <b>Overcollateralisation Test</b>   | Eligible assets exceed bonds outstanding                     | Excess is less than 8% of bonds outstanding                                     | N/A                  | N/A                                  | N/A                    | N/A                    | No       | Regulatory action  |
| <b>Cash Manager (1)</b>   | Cash Manager's ratings fall below required levels            | (Initial) Moody's long-term: Baa1, Fitch long-term: BBB                         | BBB                  | A                                    | Baa1                   | A3                     | No       | Enter into Back up Cash Manager Agreement  |
| <b>Cash Manager (2)</b>   | Cash Manager's ratings fall below required levels            | (Subsequent) Moody's long-term: Baa3, Fitch long-term: BBB-                     | BBB-                 | A                                    | Baa3                   | A3                     | No       | Appoint Back up Cash Manager   |
| <b>Stand-by Account Bank</b>  | Account Bank's ratings fall below required levels            | Moody's short-term: P-1 , Fitch short-term: F1                                  | F1                   | F1+                                  | P-1                    | P-1                    | Yes      | Appoint Stand-by Account Bank  |
| <b>Swap Counterparty Rating Trigger</b><br>(see page 12, "Collateral Postings") | Breach of ratings trigger                                    | Counterparty ratings downgrade  |                      | (see page 12, "Collateral Postings") |                        |                        | Yes      | Collateral posting   |

| Key Parties  | Current Long Term Rating (S&P / Moody's / Fitch) | Current Short Term Rating (S&P / Moody's / Fitch) | Role  |
|--|--|---|---|
| <b>Coventry Building Society</b>                   | NR / A3 / A                                      | NR / P-2 / F1                                     | Issuer, Servicer, Cash Manager, Interest Rate (Asset) Swap Provider and Covered Bond (Liability) Swap Provider  |
| <b>Coventry Building Society Covered Bonds LLP</b> | N/A  | N/A   | LLP   |
| <b>HSBC Bank plc</b>                               | AA- / Aa3 / AA-                                  | A-1+ / P-1 / F1+                                  | Covered Bond (Liability) Swap Provider, Bank Account, GIC Provider, Registrar, Principal Paying Agent, Exchange Agent, Transfer Agent and Calculation Agent |
| <b>HSBC Corporate Trustee Company (UK) Ltd</b>     | N/A  | N/A   | Bond Trustee and Security Trustee   |
| <b>Deloitte LLP</b>                                | N/A  | N/A   | Asset Pool Monitor  |
| <b>Structured Finance Management Ltd</b>           | N/A  | N/A   | Corporate Services Provider   |
| <b>Various</b>                                     | N/A / Aa3 / N/A                                  | N/A / P-1 / F1+                                   | Authorised Investments Providers  |



# Coventry Building Society Covered Bonds

## Investor Report

## Asset Coverage Test

| Asset Coverage Test   |                         |                      |                      |
|---|-------------------------|----------------------|----------------------|
| Calculation Date  |                         | 17/01/2014           | 19/12/2013           |
| <b>Aggregate Adjusted Loan Amount</b>                             | <b>=A+B+C+D-(X+Y+Z)</b> |                      |                      |
| <b>Description</b>  |                         | <b>Value</b>         | <b>Value</b>         |
| True Balance  |                         | 4,383,594,294        | 4,380,355,324        |
| Adjusted Indexed Valuation  |                         | 10,815,073,774       | 10,571,224,447       |
| Asset Percentage  |                         | 78.4%                | 78.4%                |
| Loans < 3 months in arrears                                       |                         | 4,383,594,294        | 4,380,355,324        |
| Loans >=3 months in arrears =< 75% LTV                            |                         | -                    | -                    |
| Loans >=3 months in arrears > 75% LTV                             |                         | -                    | -                    |
| Principal Outstanding on Bonds                                    |                         | 3,220,050,000        | 3,220,050,000        |
| Average Remaining Maturity of Bonds (Weighted Average Years)      |                         | 2.3                  | 2.4                  |
| Negative Carry Factor (Weighted Average)                          |                         | 1.69%                | 1.69%                |
| <b>A = Lower of (i) and (ii) multiplied by Asset Percentage :</b> |                         |                      |                      |
| <b>(i) Adjustment on True Balance</b>                             |                         |                      |                      |
| Adjusted True Balance   |                         |                      |                      |
| made up by:   | <b>M</b>                |                      |                      |
| Loans < 3 months in arrears                                       | 0.75                    | 4,381,271,871        | 4,375,545,928        |
| Loans >=3 months in arrears =< 75% LTV                            | 0.4                     | 0                    | 0                    |
| Loans >=3 months in arrears > 75% LTV                             | 0.25                    | 0                    | 0                    |
| <b>Adjusted True Balance</b>                                      |                         | <b>4,381,271,871</b> | <b>4,375,545,928</b> |
| <b>(ii) Arrears Adjustment on True Balance</b>                    |                         |                      |                      |
| Arrears Adjusted True Balance                                     |                         |                      |                      |
| made up by:   | <b>N</b>                |                      |                      |
| Loans < 3 months in arrears                                       | 1                       | 4,383,065,506        | 4,378,907,991        |
| Loans >=3 months in arrears =< 75% LTV                            | 0.4                     | 0                    | 0                    |
| Loans >=3 months in arrears > 75% LTV                             | 0.25                    | 0                    | 0                    |
| <b>sub total</b>  |                         | <b>4,383,065,506</b> | <b>4,378,907,991</b> |
| <b>Asset Percentage</b>   |                         |                      |                      |
| Contractual (maximum)   |                         | 90.0%                | 90.0%                |
| Moody's Required  |                         | 78.4%                | 78.4%                |
| Fitch Required  |                         | 85.8%                | 85.8%                |
| <b>Current Asset Percentage (% used)</b>                          |                         | <b>78.4%</b>         | <b>78.4%</b>         |
| <b>Arrears Adjusted True Balance</b>                              |                         | <b>3,436,323,357</b> | <b>3,433,063,865</b> |
| Fitch Discontinuity Factor (%)                                    |                         | 15.7%                |                      |
| Moody's Timely Payment Indicator                                  |                         | Probable             |                      |
| Moody's Collateral Score (%)                                      |                         | 5.0%                 |                      |
| Moody's Collateral Score excl. systemic risk (%)                  |                         | 3.6%                 |                      |

| Asset Coverage Test (continued)  |                      |                      |
|--|----------------------|----------------------|
|  | 17/01/2014           | 19/12/2013           |
| <b>A: Arrears Adjusted True Balance</b>  | <b>3,436,323,357</b> | <b>3,433,063,865</b> |
| <b>B: Principal Receipts Retained in Cash</b>  | -                    | -                    |
| <b>C: Retained Cash Contributions</b>  | -                    | -                    |
| <b>D: Substitution Assets - Principal Receipts<sup>1</sup><br/>- Capital Contributions</b> | <b>62,206,806</b>    | <b>66,257,533</b>    |
| <b>X: Savings set off balance</b>  | <b>(63,810,597)</b>  | <b>(63,636,390)</b>  |
| <b>Y : Flexible draw deduction</b>   | -                    | -                    |
| <b>Z: Negative carry adjustment</b>  | <b>(124,168,929)</b> | <b>(128,795,601)</b> |
| <b>Adjusted Aggregate Loan Amount</b>  | <b>3,310,550,637</b> | <b>3,306,889,406</b> |
| <b>Aggregate Principal Amount Outstanding</b>  | <b>3,220,050,000</b> | <b>3,220,050,000</b> |
| <b>Test Result</b>   | <b>PASS</b>          | <b>PASS</b>          |
| <b>Surplus Result</b>  | <b>90,500,637</b>    | <b>86,839,406</b>    |
| <b>Loan Amount to Covered Bond ratio percentage</b>  | <b>73.46%</b>        | <b>73.51%</b>        |
| <b>Credit Enhancement and Liquidity Support</b>  |                      |                      |
|  | <b>31/12/2013</b>    | <b>30/11/2013</b>    |
| Reserve funds  | 14,935,035           | 14,930,563           |
| Retained principal   | 62,206,806           | 66,257,533           |
| Overcollateralisation  | 1,254,907,363        | 1,253,957,662        |
| Overcollateralisation percentage   | 38.97%               | 38.94%               |
| Interest Coverage Test   | Pass                 | Pass                 |

<sup>1</sup>Substitution Assets are comprised of short term cash deposits and UK Treasury Bills.

# Coventry Building Society Covered Bonds

## Investor Report

## Principal & Revenue Receipts and Ledgers

Interest Payment Date 24/01/2014  
 Collection Period for Mortgages 01/12/2013 to 31/12/2013  
 Calculation Period for Notes 24/12/2013 to 24/01/2014

Has an LLP notice to pay been issued ?

No

|   | Month End<br>31/12/2013 | Month End<br>30/11/2013 |
|---|-------------------------|-------------------------|
| <b>AVAILABLE REVENUE RECEIPTS</b>                         | (£)                     | (£)                     |
| (a) Revenue Receipts - Interest received from Borrowers   | 12,922,863              | 11,462,004              |
| (a) Revenue Receipts - Fees charged to Borrowers          | 477,557                 | 323,772                 |
| (b) Interest received                                     | 45,498                  | 20,738                  |
| (c) Excess Reserve Fund                                   | 5,744                   | -                       |
| (d) Other Revenue Receipts                                | 64,939                  | 46,032                  |
| (e) Excess Required Coupon Amount                         | -                       | -                       |
| (f) Reserve Ledger credit amounts following Notice to Pay | -                       | -                       |
| LESS  |                         |                         |
| (g) Amounts Belonging to Third Parties                    | (477,557)               | (323,772)               |
| (h) Required Coupon Amount                                | -                       | -                       |
| (i) Interest Accumulation Ledger                          | -                       | -                       |
| <b>Total Available Revenue Receipts</b>                   | <b>13,039,044</b>       | <b>11,528,774</b>       |

|  | (£)               | (£)               |
|--|-------------------|-------------------|
| <b>PRE-ACCELERATION REVENUE PRIORITY OF PAYMENTS</b>   |                   |                   |
| (a) Fees due to Bond Trustee and Security Trustee  | -                 | -                 |
| (b) Fees due to Agent  | -                 | -                 |
| (c) Amounts due to Servicer, Cash Manager, Standby Account Bank, Corporate Services Provider and Asset Monitor | 16,469            | -                 |
| (d) Amounts due to the Interest Rate Swap Provider   | 6,355,567         | 6,356,382         |
| (e) (i) Amounts due to the Covered Bond Swap Providers   | 3,647,341         | 3,586,798         |
| (ii) Amounts due on the Term Advance   | 1,176,280         | 1,099,000         |
| (f) Transfer to Coupon Payment Ledger following Cash Manager Event   | -                 | -                 |
| (g) Transfer to Standby GIC Account following Servicer Event of Default  | -                 | -                 |
| (h) Transfer to Reserve Ledger   | -                 | 4,472             |
| (i) Excluded Swap Termination Amounts  | -                 | -                 |
| (j) Indemnity amounts due to the Members   | -                 | -                 |
| (k) Repayment of Cash Capital Contributions  | -                 | -                 |
| (l) Deferred Consideration   | 1,843,387         | 482,122           |
| (m) Fees due to the Liquidation Member   | -                 | -                 |
| (n) Members profit amount  | -                 | -                 |
| <b>Revenue priority of payments total</b>  | <b>13,039,044</b> | <b>11,528,774</b> |

|   | (£)               | (£)               |
|---|-------------------|-------------------|
| <b>AVAILABLE PRINCIPAL RECEIPTS</b>           |                   |                   |
| (a) Scheduled amounts received from Borrowers | 15,395,896        | 16,762,284        |
| Unscheduled amounts received from Borrowers   | 49,203,139        | 51,924,459        |
| Less Further Advances made                    | (2,392,228)       | (2,429,210)       |
| (b) (i) Term Advance                          | -                 | -                 |
| (ii) Cash Capital Contributions               | -                 | -                 |
| (iii) Sale of Selected Loans                  | -                 | -                 |
| <b>Total Available Principal Receipts</b>     | <b>62,206,806</b> | <b>66,257,533</b> |

|  | (£)               | (£)               |
|--|-------------------|-------------------|
| <b>PRE-ACCELERATION PRINCIPAL PRIORITY OF PAYMENTS</b> |                   |                   |
| (a) Purchase of New Loans or Substitution Assets       | -                 | -                 |
| (b) Transfer to Principal Ledger                       | -                 | -                 |
| (c) (i) Amounts due to the Covered Bond Swap Providers | -                 | -                 |
| (ii) Amounts due on the Term Advance                   | -                 | -                 |
| (d) Capital Distribution to Members                    | 62,206,806        | 66,257,533        |
| <b>Principal priority of payments total</b>            | <b>62,206,806</b> | <b>66,257,533</b> |

| <b>LEDGERS</b>                       | Month End<br>31/12/2013 | Month End<br>30/11/2013 |
|--------------------------------------|-------------------------|-------------------------|
| <b>Reserve Ledger</b>                | (£)                     | (£)                     |
| Balance b/f on Reserve Ledger        | 14,930,563              | 14,946,753              |
| Transfers to/from GIC                | 4,472                   | (16,190)                |
| Cash Capital Contribution            | -                       | -                       |
| <b>Balance c/f on Reserve Ledger</b> | <b>14,935,035</b>       | <b>14,930,563</b>       |
| Reserve Fund Required Amount         | 14,935,035              | 14,930,563              |

|                                     |                      |                      |
|-------------------------------------|----------------------|----------------------|
| <b>Total cash holding month end</b> | <b>91,652,698</b>    | <b>94,040,642</b>    |
| <b>Bond value</b>                   | <b>3,220,050,000</b> | <b>3,220,050,000</b> |
| <b>Percentage Cash Holding</b>      | <b>2.8%</b>          | <b>2.9%</b>          |

| <b>Summary Balance Sheet and Ledgers</b> | (£)                  | (£)                  |
|--|----------------------|----------------------|
| GIC Account                              | 26,680,753           | 24,063,029           |
| Substitution Assets <sup>1</sup>         | 64,971,945           | 69,977,613           |
| <b>Subtotal</b>                          | <b>91,652,698</b>    | <b>94,040,642</b>    |
| Transaction Account                      | -                    | -                    |
| Authorised Investments                   | -                    | -                    |
| Loan Balance                             | 4,383,594,294        | 4,380,355,324        |
| <b>Total Assets</b>                      | <b>4,475,246,993</b> | <b>4,474,395,966</b> |
| Intercompany Loan <sup>2</sup>           | 3,220,050,000        | 3,220,050,000        |
| Capital Account                          | 1,255,196,993        | 1,254,345,966        |
| <b>Total Liabilities</b>                 | <b>4,475,246,993</b> | <b>4,474,395,966</b> |

<sup>1</sup>Substitution Assets comprise short term cash deposits and UK Treasury Bills.

<sup>2</sup>Where non-sterling, translated at the exchange rate in the corresponding Covered Bond Swap.

# Coventry Building Society Covered Bonds

## Investor Report

Notes in Issue

|  | Series   | 1              | 2              | 3              | 4              | 5              |
|--|--|----------------|----------------|----------------|----------------|----------------|
|  | <b>Issue Date</b>  | 22/07/2008     | 20/11/2008     | 19/04/2011     | 24/10/2011     | 10/02/2012     |
|  | <b>Original rating</b><br>(Moody's / S&P / Fitch)        | Aaa / NR / AAA | Aaa / NR / AAA | Aaa / NR / AAA | Aaa / NR / AAA | Aaa / NR / AAA |
|  | <b>Current rating</b><br>(Moody's / S&P / Fitch)         | Aaa / NR / AAA | Aaa / NR / AAA | Aaa / NR / AAA | Aaa / NR / AAA | Aaa / NR / AAA |
|  | <b>Currency</b>  | GBP            | GBP            | GBP            | EUR            | GBP            |
|  | <b>Issue size</b>  | 1,500,000,000  | 500,000,000    | 750,000,000    | 650,000,000    | 500,000,000    |
|  | <b>Relevant Swap Rate</b>                                | 1.000          | 1.000          | 1.000          | 0.877          | 1.000          |
|  | <b>GBP Equivalent</b>                                    | 1,500,000,000  | 500,000,000    | 750,000,000    | 570,050,000    | 500,000,000    |
|  | <b>Current Period Balance</b>                            | 900,000,000    | 500,000,000    | 750,000,000    | 650,000,000    | 500,000,000    |
|  | <b>Previous Period Balance</b>                           | 900,000,000    | 500,000,000    | 750,000,000    | 650,000,000    | 500,000,000    |
|  | <b>Current Period Pool Factor</b>                        | 1              | 1              | 1              | 1              | 1              |
|  | <b>Previous Period Pool Factor</b>                       | 1              | 1              | 1              | 1              | 1              |
|  | <b>Expected maturity date</b>                            | 25/07/2016     | 24/11/2016     | 19/04/2018     | 24/10/2014     | 10/02/2015     |
|  | <b>Legal Final maturity date</b>                         | 25/07/2016     | 24/11/2016     | 19/04/2018     | 24/10/2014     | 10/02/2015     |
|  | <b>Extended Due for Payment Date</b>                     | 24/07/2017     | 24/11/2017     | 19/04/2019     | 24/10/2015     | 10/02/2016     |
|  | <b>Margin payable under extended maturity period (%)</b> | 0.50%          | 0.50%          | 1.22%          | 1.30%          | 1.60%          |
|  | <b>ISIN</b>  | XS0378817240   | XS0400750542   | XS0618833635   | XS0696058857   | XS0744752568   |
|  | <b>Stock exchange listing</b>                            | LSE            | LSE            | LSE            | LSE            | LSE            |
|  | <b>Interest Payment Frequency</b>                        | Monthly        | Monthly        | Annually       | Annually       | Quarterly      |
|  | <b>Accrual Start Date</b>                                | 24/12/2013     | 24/12/2013     | 19/04/2013     | 24/10/2013     | 11/11/2013     |
|  | <b>Accrual End Date</b>                                  | 24/01/2014     | 24/01/2014     | 22/04/2014     | 24/10/2014     | 10/02/2014     |
|  | <b>Accrual Day Count</b>                                 | 31             | 31             | 368            | 365            | 91             |
|  | <b>Coupon Reference Rate</b>                             | 0.48938%       | 0.48938%       | N/A            | N/A            | 0.52406%       |
|  | <b>Relevant Margin</b>                                   | 0.50000%       | 0.50000%       | 4.62500%       | 2.87500%       | 1.60000%       |
|  | <b>Current Period Coupon Reference</b>                   | 1m GBP LIBOR   | 1m GBP LIBOR   | Fixed          | Fixed          | 3m GBP LIBOR   |
|  | <b>Current Period Coupon</b>                             | 0.98938%       | 0.98938%       | 4.62500%       | 2.87500%       | 2.12406%       |
|  | <b>Current Period Coupon Amount</b>                      | 756,180        | 420,100        | -              | -              | -              |
|  | <b>Current Interest Shortfall</b>                        | -              | -              | -              | -              | -              |
|  | <b>Cumulative Interest Shortfall</b>                     | -              | -              | -              | -              | -              |
|  | <b>Next Interest Payment Date</b>                        | 24/01/2014     | 24/01/2014     | 22/04/2014     | 24/10/2014     | 10/02/2014     |
|  | <b>Bond Structure</b>                                    | Soft bullet    | Soft bullet    | Soft bullet    | Soft bullet    | Soft bullet    |
|  | <b>Current Period Scheduled Principal Payment</b>        | -              | -              | -              | -              | -              |
|  | <b>Actual Principal Paid</b>                             | -              | -              | -              | -              | -              |
|  | <b>Principal Shortfall</b>                               | -              | -              | -              | -              | -              |
|  | <b>Cumulative Principal Shortfall</b>                    | -              | -              | -              | -              | -              |
|  | <b>Expected Principal Payment Date</b>                   | 25/07/2016     | 24/11/2016     | 19/04/2018     | 24/10/2014     | 10/02/2015     |

Notes In Issue

Interest Payments  
01/01/2014 - 31/01/2014

Principal Payments  
01/01/2014 - 31/01/2014

# Coventry Building Society Covered Bonds

## Investor Report

Swaps

### Swaps<sup>1</sup>

| Related Covered Bonds                | Maturity   | Notional currency | Notional      | Counterparty              | Receive reference rate | Receive margin | Receive rate | Pay reference rate | Pay margin | Pay rate | Payments (made)/received (£) |
|--------------------------------------|------------|-------------------|---------------|---------------------------|------------------------|----------------|--------------|--------------------|------------|----------|------------------------------|
| <b>Interest Rate (Asset) Swap</b>    |            |                   |               |                           |                        |                |              |                    |            |          |                              |
| Series 1-5                           | 19/04/2018 | GBP               | 4,350,256,537 | Coventry Building Society | 1m LIBOR               | 1.19000%       | 1.67813%     | Basket of rates    | N/A        | 3.39955% | (6,355,567)                  |
| <b>Covered Bond (Liability) Swap</b> |            |                   |               |                           |                        |                |              |                    |            |          |                              |
| Series 3                             | 19/04/2018 | GBP               | 750,000,000   | HSBC plc                  | Fixed                  | N/A            | 4.62500%     | 1m LIBOR           | 1.63%      | 2.11588% | (1,304,310)                  |
| Series 4                             | 24/10/2014 | EUR               | 650,000,000   | HSBC plc                  | Fixed                  | N/A            | 2.87500%     | 1m LIBOR           | 2.27%      | 2.75938% | (1,335,959)                  |
| Series 5                             | 10/02/2015 | GBP               | 500,000,000   | Coventry Building Society | 3m LIBOR               | 1.60000%       | 2.12406%     | 1m LIBOR           | 1.88%      | 2.36938% | (1,006,175)                  |

### Collateral Received

| Counterparty   | Counterparty Rating (Moody's / Fitch) |            | Required Rating (Initial Rating Event: Moody's / Fitch) |            | Breached (Y/N) | Breach Remedy (if applicable) | Collateral Posting (£)  |
|--|---------------------------------------|------------|---|------------|----------------|-------------------------------|-------------------------|
|  | Long-term                             | Short-term | Long-term   | Short-term |                |                               |                         |
| <b>Interest Rate (Asset) Swap</b><br>Coventry Building Society | A3 / A                                | P-2 / F1   | A2 / A  | P-1 / F1   | Y              | Post collateral               | - <sup>1</sup>          |
| <b>Covered Bond (Liability) Swap</b><br>HSBC plc               | Aa3 / AA-                             | P-1 / F1+  | A2 / A  | P-1 / F1   | N              | Post additional collateral    | 33,953,036 <sup>2</sup> |
| Coventry Building Society                                      | A3 / A                                | P-2 / F1   | A2 / A  | P-1 / F1   | Y              | Post collateral               | 2,500,000               |

<sup>1</sup>The amount of collateral required in respect of the Interest Rate (Asset) Swap is zero because the LLP is out of the money.

<sup>2</sup>The Swap Agreement has been revised to specify that collateral is posted by HSBC to the extent that the market value of the swap is greater than £30m. On downgrade, this threshold would reduce to zero and additional collateral would be posted.

# Coventry Building Society Covered Bonds

## Investor Report

## Glossary

|   |   |
|---|---|
| <b>Adjusted True Balance</b>                | In the ACT calculation, this is the sum of the "Adjusted True Balance" of each Loan in the Portfolio, which shall be the lower of (1) the actual True Balance of the relevant Loan in the Portfolio and (2) the Indexed Valuation relating to that Loan multiplied by M (where for all Loans that are less than three months in arrears or not in arrears, M = 0.75, for all Loans that are three months or more in arrears and have a True Balance to Indexed Valuation ratio of less than or equal to 75 percent, M = 0.40 and for all Loans that are three months or more in arrears and have a True Balance to Indexed Valuation ratio of more than 75 percent, M = 0.25); Minus the aggregate sum of any assets to be removed as defined by the Transaction Documents.   |
| <b>Administered rates</b>                   | The issuer operates a number of variable administered rates including a Standard Variable Rate and the Privilege Rate, which is offered to certain owner-occupying borrowers who have been on the same product for five years or more.  |
| <b>Arrears Adjusted True Balance</b>        | In the ACT calculation, this is the aggregate "Arrears Adjusted True Balance" of the Loans in the Portfolio which in relation to each Loan shall be the lower of (1) the actual True Balance of the relevant Loan and (2) the Indexed Valuation relating to that Loan multiplied by N (where for all Loans that are less than three months in arrears or not in arrears, N = 1, for all Loans that are three months or more in arrears and have a True Balance to Indexed Valuation ratio of less than or equal to 75 percent, N = 0.40 and for all Loans that are three months or more in arrears and have a True Balance to Indexed Valuation ratio of more than 75 percent, N = 0.25); Minus the aggregate sum of any assets to be removed as defined by the Transaction Documents; Multiplied by the Asset Percentage (as defined below). |
| <b>Arrears Balance</b>                      | Arrears includes any fees and insurance premiums that are past due and interest on arrears. Capitalised arrears are excluded from the Arrears Balance.  |
| <b>Asset Percentage</b>                     | The Asset Percentage is defined in the Transaction Documents as the lowest of (i) 90 percent, (ii) the percentage required to ensure that the Covered Bonds maintain the then current ratings assigned to them by Fitch and (iii) the percentage required to ensure that the Covered Bonds achieve an Aaa rating by Moody's using Moody's expected loss methodology.  |
| <b>Constant Default Rates (CDR)</b>         | Constant Default Rate is calculated from the balance of loans entering into default in the month and it is shown as a percentage of the opening True Balance.   |
| <b>Constant Prepayment Rates (CPPR)</b>     | The Constant Prepayment Rate is calculated from the total Unscheduled Principal Receipts and is shown as a percentage of the opening True Balance. This is consistent with the ESF definition for Constant Prepayment Rates.  |
| <b>Default</b>                              | For the purposes of this report a loan is identified as being in default where the Months in Arrears is six or more.  |
| <b>Employment Status</b>                    | Employment status of the primary applicant. People employed by a company of which they are also a director are included as Self-Employed.   |
| <b>Geographical Distribution</b>            | This uses the regions in the HPI Regional Series published by Nationwide Building Society. The definition of those regions is available at <a href="http://web.archive.org/web/20100815095614/http://www.nationwide.co.uk/hpi/regions.htm">http://web.archive.org/web/20100815095614/http://www.nationwide.co.uk/hpi/regions.htm</a> . This definition differs from the standard NUTS 1 regions used in other reporting.  |
| <b>Income Verification Requested</b>        | Income verification has been requested on all mortgages in the pool at application. With certain low-risk low-LTV loans, proof of income is only required for a random selection of loans. The performance of the loans and decline/withdrawal rates on the random selection is closely monitored.  |
| <b>Indexed</b>                              | Indexation is applied to house price valuations on a regional basis using non-seasonally adjusted data. The indexation is applied to the data as at the end of March, June, September and December.   |
| <b>Interest Payments</b>                    | Payments received in a reporting period are applied first to interest and then to principal.  |
| <b>Months in Arrears</b>                    | Months in Arrears is calculated as the Arrears balance divided by the normal contractual payment due, ignoring any temporary arrangement or payment holiday.  |
| <b>Mortgage Account</b>                     | A mortgage account consists of one or more underlying loans all secured with equal priority by a first charge on the same property and thereby forming a single mortgage account. All items are disclosed at mortgage account level with the exception of Product groups, Repayment terms and the Originator which are reported at an individual loan level.  |
| <b>Mortgage Collections</b>                 | The aggregate amount of scheduled and unscheduled principal, and interest collected during the reporting period.  |
| <b>Negative carry adjustment</b>            | In the ACT calculation, this is the weighted average remaining maturity of all Covered Bonds outstanding multiplied by the Sterling Equivalent of the aggregate Principal Amount Outstanding of the Covered Bonds multiplied by the Negative Carry Factor. The "Negative Carry Factor" is (i) 0.5 percent if the weighted average margin of the interest rate payable on the Covered Bonds is less than or equal to 0.1 percent per annum or (ii) 0.5 percent plus that margin minus 0.1 percent, if that margin is greater than 0.1 percent per annum (provided that if the weighted average remaining maturity is less than one, the weighted average shall be deemed, for the purposes of this calculation, to be one).  |
| <b>Overcollateralisation</b>                | Overcollateralisation is calculated in accordance with Regulation 17(2) of the Regulated Covered Bonds Regulations 2008 (as amended) which sets a lower level of 8% for this measure. Mortgages are included after making a deduction for assets where the Indexed LTV exceeds 80% to restrict the value of the loan to 80% of the latest valuation. Liquid assets are included up to a value of 8% of bonds with a maturity of one year or more and 100% of bonds with a maturity of less than one year.   |
| <b>Principal Payment Rates (PPR)</b>        | Principal Payment Rates are calculated from the total Principal Receipts in the month including redemptions, contractual repayments and unscheduled prepayments and are shown as a percentage of the opening True Balance. The ESF uses the term "Principal Payment Rates" for this value.  |
| <b>Principal Receipts</b>                   | Payments received in a reporting period are applied first to interest and then to principal.  |
| <b>Reserve Fund Required Amount</b>         | The value disclosed at the month end is equal to the value calculated at the calculation date immediately preceding the month end.  |
| <b>Savings Balances</b>                     | Saving balances are reported on the basis used in the ACT calculation, this is the amount equal to the lower of (i) 100 percent of the aggregate deposit balances (including saving balances and offset balances) of each savings account held at the Seller by Borrowers whose Loans are included in the Portfolio and (ii) the aggregate True Balances of those Borrower's Loans.   |
| <b>Scheduled Principal Receipts</b>         | The element of Principal Receipts that are included in the contractual payment for a Borrower who has a Repayment or Combination mortgage.  |
| <b>True Balance</b>                         | As at the given date, the aggregate (but avoiding double counting) of (i) the original principal amount advanced to the relevant Borrower and any further amount advanced, (ii) any interest, fees or charges which has been properly capitalised and (iii) any other amount (including Accrued Interest and Arrears of Interest) which is due or accrued (whether or not due) and which has not been paid and has not been capitalised.  |
| <b>Unscheduled Principal Receipts</b>       | The element of Principal Receipts that are not Scheduled Principal Receipts.  |
| <b>Weighted Average Current margin</b>      | The current margin is calculated as the interest rate on the loan less the relevant swap rate for Fixed rate loans; current 3 month LIBOR for Administered loans; or current base rate for Tracker loans.   |
| <b>Weighted Average Initial rate</b>        | The initial rate is the initial margin on the product plus the index rate prevailing at the time the loan was taken out.  |
| <b>Weighted Average Reversionary margin</b> | The reversionary margin is calculated as the final interest rate due on the loan's current product less 3 month LIBOR for Administered loans or base rate for Tracker loans.  |