

M

213643/13

LLP395

CHFP025

Please complete
in typescript, or
in bold black
capitals

Particulars of a mortgage or charge in respect
of a Limited Liability Partnership

A fee of £13 is payable to Companies House in respect of
each register entry for a mortgage or charge.

For official use

LLP Number

OC337802

1

Full Name of Limited
Liability Partnership

Coventry Building Society Covered Bonds LLP (the LLP)

Date of creation
of the charge

17 July 2008

Description of the instrument
(if any) creating or evidencing
the charge (note 2)

A deed of charge dated 17 July 2008 entered into by the parties listed in
Schedule 1 hereto (the **Deed of Charge**)

Amount secured by the
mortgage or charge

The amount secured by the mortgage or charge is set out in Schedule 2
hereto

Capitalised terms used in this Form LLP 395 and not otherwise defined
have the meaning given in Schedule 4 hereto

Signed

Allen + Overy LLP

Date 31 July 2008

On behalf of [LLP] ~~not known/known~~ (delete as appropriate)

You do not have to give any contact
information in the box opposite but if you
do, it will help Companies House to
contact you if there is a query on the
form. The contact information that you
give will be visible to searchers of the
public record

MSN/ESL/36551-00007

Charles Toland
Allen + Overy LLP
London

EC1A 5DU

Tel 0203 088 2019

E-mail charles.toland@allenoverly.com

Allen + Overy LLP
One Bishop's Square
London
E1 6AD



LJT2V1VQ

LD5

31/07/2008

51

COMPANIES HOUSE

When you have completed and signed the form please send it to the
Registrar of Companies at

Companies House, Crown Way, Cardiff, CF14 3UZ DX 33050 Cardiff

THURSDAY

Names and addresses of the mortgagees or persons entitled to the charge	HSBC Corporate Trustee Company (UK) Limited whose registered office is at 8 Canada Square, London E14 5HQ (the Security Trustee)
Short particulars of all the property mortgaged or charged	The short particulars of all the property mortgaged or charged is listed in Schedule 3 hereto
Particulars as to commission allowance or discount (note 3)	Nil

Notes

- 1 The original instrument (if any) creating or evidencing the charge, together with these prescribed particulars correctly completed must be delivered to the Registrar of Companies within 21 days after the date of creation of the charge (section 395*) If the property is situated and the charge was created outside the United Kingdom delivery to the Registrar must be effected within 21 days after the date on which the instrument could in due course of post, and if dispatched with due diligence, have been received in the United Kingdom (section 398*) A copy of the instrument creating the charge will be accepted where the property charged is situated and the charge was created outside the United Kingdom (section 398*) and in such cases the copy must be verified to be a correct copy either by the company or by the person who has delivered or sent the copy to the registrar The verification must be signed by or on behalf of the person giving the verification and where this is given by a body corporate it must be signed by an officer of that body A verified copy will also be accepted where section 398(4)* applies (property situate in Scotland or Northern Ireland) and Form LLP398 is submitted
- 2 A description of the instrument, eg "Trust Deed", "Debenture", "Mortgage", or "Legal Charge", etc, as the case may be, should be given
- 3 In this section there should be inserted the amount or rate per cent of the commission, allowance or discount (if any) paid or made either directly or indirectly by the LLP to any person in consideration of his
 - (a) subscribing or agreeing to subscribe, whether absolutely or conditionally, or
 - (b) procuring or agreeing to procure subscriptions, whether absolute or conditional,
 for any of the debentures included in this return The rate of interest payable under the terms of the debentures should not be entered
- 4 If any of the spaces in this form provide insufficient space the particulars must be entered on the Form LLP395 continuation sheet
- 5 A fee of £13 is payable to Companies House in respect of each register entry for a mortgage or charge Cheques and Postal Orders must be made payable to **Companies House**.

* As applied to LLPs by Schedule 2 of the Limited Liability Partnerships Regulations 2001

SCHEDULE 1

PARTIES TO THE DEED OF CHARGE

- (1) **COVENTRY BUILDING SOCIETY COVERED BONDS LLP** (partnership number OC337802), a limited liability partnership incorporated under the laws of England and Wales whose registered office is at Oakfield House, Binley Business Park, Coventry CV3 2TQ (referred to herein as the "**LLP**"),
- (2) **HSBC CORPORATE TRUSTEE COMPANY (UK) LIMITED**, incorporated under the laws of England and Wales whose registered office is at 8 Canada Square, London E14 5HQ (in its capacity as "**Security Trustee**" and "**Bond Trustee**"),
- (3) **COVENTRY BUILDING SOCIETY**, a building society incorporated under the Building Society Act 1986 (as amended) of England and Wales with its principal office at Oakfield House, Binley Business Park, Coventry CV3 2TQ (referred to herein as the "**Issuer**", "**Seller**", "**Cash Manager**", "**Servicer**", "**Account Bank**", "**GIC Provider**" and "**Interest Rate Swap Provider**"),
- (4) **HSBC BANK PLC**, acting through its office at 8 Canada Square, London E14 5HQ (in its capacity as "**Principal Paying Agent**", "**Exchange Agent**", "**Transfer Agent**", "**Stand-by GIC Provider**" and "**Stand-by Account Bank**"), and
- (5) **STRUCTURED FINANCE MANAGEMENT LIMITED**, a company incorporated under the laws of England and Wales (registered number 3853947) whose registered office is at 35 Great St Helen's, London EC3A 6AP (in its capacity as the "**Corporate Services Provider**" to Holdings and the Liquidation Member),

SCHEDULE 2

AMOUNT SECURED BY THE MORTGAGE OR CHARGE

- (a) Any and all monies and liabilities whatsoever which now are or at any time hereafter may (whether before or after demand) become due and payable to the Security Trustee (whether for its own account or as trustee for the Secured Creditors) or any of the other Secured Creditors by the LLP, whether actually or contingently, solely or jointly with one or more persons and whether as principal or surety under or pursuant to the Deed of Charge or any other of the LLP Agreements, and
- (b) observe, perform and satisfy all of its other obligations and liabilities under or pursuant to the Deed of Charge and/or any of the LLP Agreements, and to pay and discharge and all claims, demands or damages for breach of any such covenant (the "Secured Obligations")

10

SCHEDULE 3

SHORT PARTICULARS OF ALL THE PROPERTY MORTGAGED OR CHARGED

1. SECURITY AND DECLARATION OF TRUST

1.1 Loans and Related Security

Pursuant to Clause 3 1 (Loan and Related Security) of the Deed of Charge, the LLP, by way of first fixed security for the payment and discharge of the Secured Obligations, subject to Clause 4 (Release of Charged Property) of the Deed of Charge, charged by way of first fixed charge to the Security Trustee all of its right, title, interest and benefit, present and future, in, to and under the Portfolio in respect of the Loans and their Related Security and all other related rights under the same including all amounts which may become payable thereunder and the benefit of all covenants relating thereto and all powers and remedies for enforcing the same and the Title Deeds and documents relating to the Properties and the Mortgages in the Portfolio including (without limiting the generality of the foregoing) any consents, postponements, reports, valuations, opinions, certificates and other statements of fact or opinion or both given in connection with the Mortgages in the Portfolio (and all causes and rights of action of the LLP against any person in connection with the same) and any other contractual documents or any security documents in either case setting out the terms of the Loans to hold the same unto the Security Trustee absolutely

1.2 Insurance Policies

Pursuant to Clause 3 2 (Insurance Policies) of the Deed of Charge, the LLP, by way of first fixed security for the payment and discharge of the Secured Obligations, subject to Clause 4 (Release of Charged Property), assigned to the Security Trustee all of its right, title, interest and benefit, present and future, in, to and under the Insurance Policies to the extent that the Insurance Policies have been assigned to the LLP pursuant to the Mortgage Sale Agreement, and all amounts which may become payable thereunder and the benefit of all covenants and rights relating thereto and all powers and remedies for enforcing the same, TO HOLD the same unto the Security Trustee absolutely

1.3 Contractual Rights

Pursuant to Clause 3 3 (Contractual Rights) of the Deed of Charge, the LLP, by way of first fixed security for the payment and discharge of the Secured Obligations, subject to Clause 4 (Release of Charged Property), charged to the Security Trustee all of its right, title, benefit and interest, present and future, in, to and under the LLP Agreements (other than the Deed of Charge (and, in respect of the Interest Rate Swap Agreement and Covered Bond Swap Agreement, after giving effect to all applicable netting provisions therein)), including all rights to receive payment of any amounts which may become payable to it thereunder and all payments received by it thereunder including, without limitation, all rights to serve notices and/or make demands thereunder and/or to take such steps as are required to cause payments to become due and payable thereunder and all rights of action in respect of any breach thereof and all rights to receive damages or obtain relief in respect thereof, TO HOLD the same unto the Security Trustee absolutely

1.4 Accounts

Pursuant to Clause 3 4 (Accounts) of the Deed of Charge, the LLP, by way of first fixed security for the payment and discharge of the Secured Obligations, subject to Clause 4 (Release of Charged Property), charged by way of first fixed charge in favour of the Security Trustee all of its rights, interest and benefit, present and future, in and to all monies now or at any time thereafter standing to the credit of

- (a) the GIC Account,
- (b) the Transaction Account,
- (c) the Stand-by GIC Account,
- (d) the Stand-by Transaction Account, and
- (e) each other account (if any) in which the LLP may at any time have or acquire any right, title, benefit or interest,

and the debts represented by them together with all rights relating or attached thereto (including the right to interest) of the Deed of Charge, TO HOLD the same unto the Security Trustee absolutely

1.5 Excess Proceeds

Pursuant to Clause 3 5 (Excess Proceeds) of the Deed of Charge, the LLP, by way of first fixed security for the payment and discharge of the Secured Obligations, subject to Clause 4 (Release of Charged Property) of the Deed of Charge, charged by way of first fixed charge in favour of the Security Trustee all of its right, title, interest and benefit, present and future in, to and under any Excess Proceeds received from the Bond Trustee pursuant to the Trust Deed and TO HOLD the same unto the Security Trustee absolutely

1.6 Authorised Investments and Substitution Assets

Pursuant to Clause 3 6 (Authorised Investments and Substitution Assets) of the Deed of Charge, the LLP, by way of first fixed security for the payment and discharge of the Secured Obligations, subject to Clause 4 (Release of Charged Property) of the Deed of Charge, charged by way of first fixed charge in favour of to the Security Trustee all of its right, title, interest and benefit in, to and under or in respect of any Authorised Investments and Substitution Assets purchased using monies standing to the credit of any LLP Account for the time being owned by it, including all monies, income and proceeds payable thereunder and all rights in respect of or ancillary to such Authorised Investments and Substitution Assets, to hold the same unto the Security Trustee absolutely

1.7 Floating Charge

Pursuant to Clause 3 7 (Floating Charge) of the Deed of Charge, the LLP, by way of first floating security for the payment and discharge of the Secured Obligations, subject to Clause 4 (Release of Charged Property) of the Deed of Charge, charged by way of first floating charge in favour of the Security Trustee the whole of its undertaking and all its property, assets, rights and revenues, ~~whatsoever and wheresoever, both present and future other than any property or assets from time to time or for the time being the subject of fixed charges pursuant to Clauses 3 1, 3 4, 3 5, or 3 6 of the Deed of Charge~~ The floating charge created thereby is a qualifying floating charge for the purpose of Paragraph 14 of Schedule B1 of the Insolvency Act 1986

1.8 Title Guarantee

Pursuant to Clause 3 8 (Title Guarantee) of the Deed of Charge, each of the dispositions, assignments or charges over property effected in or pursuant to Clauses 3 1 (Loans and Related Security) to 3 7 (Floating Charge) of the Deed of Charge (both inclusive) is made with full title guarantee

1.9 Further Acquired Rights

Pursuant to Clause 3 9 (Further Acquired Rights) of the Deed of Charge, for the avoidance of doubt it was confirmed that reference therein to Loans, their Related Security and Insurance Policies and related rights under the same include those which were thereafter sold or transferred to or otherwise acquired by the LLP and that the security created by or pursuant to Clause 3 1 (Loans and Related Security) to Clause 3 6 (Authorised Investments and Substitution Assets) of the Deed of Charge (both inclusive) were, and were intended to be, specific and fixed assignments by way of security of, or specific and fixed charges or securities over (as the case may be), the items to which they relate, both present and future acquired

1.10 Notice and Acknowledgement

Pursuant to Clause 3 10 (Notice and Acknowledgement) of the Deed of Charge, the execution of the Deed of Charge by each Secured Creditor shall constitute notice to each of them of the assignment of all of the LLP's right, title, interest and benefit present and future in, to and under the agreements referred to in Clause 3 3 (Contractual Rights) of the Deed of Charge and the execution of the Deed of Charge by each of the Secured Creditors shall constitute an express acknowledgement by each of them of such conveyances, transfers, charges and assignments and other Security Interests made or granted by the foregoing provisions of Clause 3 (Security and Declaration of Trust) and Clause 2 (Covenant to Pay Secured Obligations) of the Deed of Charge and each of the Secured Creditors undertook to the Security Trustee not to do anything inconsistent with the security given under or pursuant to the Deed of Charge or knowingly to prejudice the Security Interests in favour of the Security Trustee constituted thereunder or pursuant thereto or the Charged Property provided that, without prejudice to Clause 20 (Exercise of Certain Rights) of the Deed of Charge, nothing therein shall be construed as limiting the rights or obligations of any of the Secured Creditors exercisable or to be performed in accordance with and subject to the terms of any of the other Transaction Documents

1.11 Security Trustee's Discretion

Pursuant to Clause 3 11 (Security Trustee's Discretion) of the Deed of Charge and subject to Clause 23 3 (Delegation) of the Deed of Charge, without prejudice to the rights of the Security Trustee after the security created under or pursuant to the Deed of Charge became enforceable, the LLP authorised the Security Trustee, prior to the security created by or pursuant to the Deed of Charge becoming enforceable, to exercise, or refrain from exercising, all rights, powers, authorities, discretions and remedies of the LLP under or in respect of the LLP Agreements referred to in Clause 3 3 (Contractual Rights) of the Deed of Charge in such manner as the Security Trustee in its absolute discretion shall think fit For the avoidance of doubt, the Security Trustee shall not be required to have regard to the interests of the LLP in the exercise or non-exercise of any such rights, powers, authorities, discretions and remedies or to comply with any direction given by the LLP in relation thereto

1.12 Declaration of Trust

Pursuant to Clause 3 12 (Declaration of Trust) of the Deed of Charge, the Security Trustee declared itself trustee of all the covenants, undertakings, charges, assignments and other security interests made or given to it or to be made or given to it under or pursuant to the Deed of Charge and the other LLP Agreements for itself and the other Secured Creditors in respect of the Secured Obligations owed to each of them respectively upon and subject to the terms and conditions of the Deed of Charge

2. CONTINUANCE OF SECURITY

2.1 Continuing Security

Pursuant to Clause 5 1 (Continuing Security) of the Deed of Charge, without prejudice to the generality of Clause 2 (Covenant to Pay Secured Obligations and Discharge Secured Obligations) of the Deed of Charge, the charges, assignments and other Security Interests contained in or granted pursuant to the Deed of Charge

- (a) shall be without prejudice and in addition to and shall not merge with any other security whatsoever which may be held by the Secured Creditors or the Security Trustee on behalf of the Secured Creditors from the LLP or any other person for or in respect of the whole or part of the Secured Obligations, and
- (b) shall remain in force as continuing security for the Secured Creditors notwithstanding any settlement of account or the existence at any time of a credit balance on any current or other account or any other act, event or matter whatsoever

2.2 Acknowledgement

Pursuant to Clause 5 2 (Acknowledgement) of the Deed of Charge, the LLP acknowledged the assignments, charges and other Security Interests made or granted by the Deed of Charge and undertook to the Security Trustee not to do anything inconsistent with the security given under or pursuant to the Deed of Charge or knowingly to prejudice the security granted to the Security Trustee under or pursuant to the Deed of Charge or the Charged Property or the Security Trustee's interest therein

2.3 Accession of New Secured Creditors

Pursuant to Clause 5 3 (Accession of New Secured Creditors) of the Deed of Charge, as a condition precedent to any new Series or Tranche, as applicable, of Covered Bonds issued under the Programme, any New Secured Creditor shall accede to the terms of the Deed of Charge by executing an Accession Undertaking in the form or substantially in the form set out in Schedule 3 (Form of Accession Undertaking) to the Deed of Charge

3. CRYSTALLISATION

3.1 Notice

Pursuant to Clause 15 1 (Continuing Security) of the Deed of Charge, subject to applicable laws, in addition and without prejudice to any other event resulting in a crystallisation of the floating charge created by or pursuant to the Deed of Charge or any other right the Security Trustee may have, the Security Trustee may, at any time, if

- (a) it believes that the Charged Property or any part thereof is in danger of being seized or sold under any form of distress, diligence or execution levied or threatened or is otherwise in jeopardy or imperilled, or
- (b) any circumstance shall occur which, in the reasonable opinion of the Security Trustee, materially prejudices, imperils, threatens or is likely to do any of the foregoing in respect of the security created by or pursuant to the Deed of Charge or the LLP takes or threatens to take any action that would be materially prejudicial to, or would be materially inconsistent with, the security created thereby,

by notice in writing to the LLP declare that the floating charge created by the Deed of Charge shall be converted into a first specific fixed charge or first ranking fixed security as to all of the undertakings, property and assets or such of them as may be specified in the notice, and by way of further assurance, the LLP, at its own expense, shall execute all documents in such form as the Security Trustee shall reasonably require and shall deliver to the Security Trustee all conveyances, deeds, certificates and documents which may be necessary to perfect such first specific fixed charge or first ranking fixed security

3.2 Automatic Crystallisation

Pursuant to Clause 15 2 (Automatic Crystallisation) of the Deed of Charge, subject as set out below and subject to applicable laws, in addition and without prejudice to any other event resulting in a crystallisation of the floating charge, the floating charge contained therein shall automatically (without any further action on the part of the Security Trustee) be converted into a fixed charge over all property, assets or undertaking of the LLP subject to the floating charge, if and when

- (a) the Bond Trustee serves an LLP Acceleration Notice on the LLP,
- (b) the LLP ceases to carry on all or substantially all of its business or ceases to be a going concern, or
- (c) the LLP stops making payments to its creditors or gives notice to creditors that it intends to stop payment, or
- (d) the holder of any other Encumbrance in relation to the LLP, whether ranking in priority to or *pari passu* with or after the charges contained in the Deed of Charge, appoints a Receiver, or
- (e) any floating charge granted by the LLP to any other person (whether permitted by the Transaction Documents or not) crystallises for any reason whatsoever

The floating charge created by Clause 3 7 (Floating Charge) of the Deed of Charge may not be converted into a fixed charge solely as a result of the obtaining of a moratorium (or anything done with a view to obtaining a moratorium) under the Insolvency Act 2000 except with leave of the court

3.3 Failure of Petition for Administration or Winding-up

Pursuant to Clause 15 3 (Failure of Petition for Administration or Winding-up), if any petition for the administration or winding-up of the LLP is dismissed or withdrawn or a resolution for winding-up the LLP is not passed by the necessary majority, then without prejudice to any rights exercisable otherwise than in consequence of the presentation of such petition or resolution and subject to anything done in the meantime in pursuance of the powers given by the Deed of Charge and subject to the provisions contained in the Deed of Charge as to costs charges and expenses incurred and payments made, possession of the Charged Property will be restored to the LLP, and the LLP and all persons concerned will be remitted to their original rights provided that the Security Trustee is satisfied that its security position at that time is not materially different to that as at the date of the Deed of Charge

4. POWER OF ATTORNEY, ETC.

4.1 Execution of Power of Attorney

Pursuant to Clause 16 (Execution of a Power of Attorney) of the Deed of Charge, and immediately upon execution of the Deed of Charge, the LLP executed and delivered to the Security Trustee and

each Receiver and/or administrator a power of attorney in or substantially in the form set out in Schedule 1 to the Deed of Charge. For the avoidance of doubt, the Security Trustee confirms that it may only exercise the powers conferred under such power of attorney in the circumstances set out in paragraph 1 of Schedule 1 to the Deed of Charge.

4.2 Charged Property on Trust

Pursuant to Clause 16.2 (Charged Property on Trust) of the Deed of Charge, to the extent that it is permitted to do so under the Transaction Documents, for the purpose of giving effect to the Deed of Charge, the LLP declared that, after the Security created under or pursuant to the Deed of Charge has become enforceable, it will hold all of the Charged Property (subject to the right of redemption) upon trust for the Security Trustee and agreed to convey, assign or otherwise deal with such Charged Property in such manner and to such person as the Security Trustee shall direct, and declared that it shall be lawful for the Security Trustee to appoint a new trustee or trustees of the Charged Property in place of the LLP.

5. OTHER SECURITY, ETC.

5.1 No Merger

Pursuant to Clause 17.1 (No Merger) of the Deed of Charge, Security Interests contained in or created pursuant to the Deed of Charge are in addition to, and shall neither be merged in, nor in any way exclude or prejudice any other Security Interests, right of recourse, set-off or other right whatsoever which the Security Trustee or any Secured Creditor may now or at any time hereafter hold or have (or would apart from the Deed of Charge or any charge contained or created pursuant to the Deed of Charge hold or have) as regards the LLP or any other person in respect of the Secured Obligations, and neither the Security Trustee (subject to the provisions of Clause 20.6 (Mandatory Enforcement) of the Deed of Charge) nor any Secured Creditor shall be under any obligation to take any steps to call in or to enforce any security for the Secured Obligations, and shall not be liable to the LLP for any loss arising from any omission on the part of the Security Trustee or any Secured Creditor to take any such steps or for the manner in which the Security Trustee or any Secured Creditor shall enforce or refrain from enforcing any such security.

6. COVENANTS AND WARRANTIES

6.1 Negative Covenants

Pursuant to Clause 21.2 (Negative Covenants) of the Deed of Charge, so long as any of the Secured Obligations remain outstanding, the LLP shall not, save to the extent permitted by or provided for in the Transaction Documents or with the prior written consent of the Security Trustee (which may only be given if the Security Trustee is so instructed by the Bond Trustee pursuant to Clause 20 (Exercise of Certain Rights) the Deed of Charge

- (a) create or permit to subsist any mortgage, standard security, assignation, assignment, pledge, lien, charge or other Security Interest whatsoever (unless arising by operation of law) upon the whole or any part of its assets (including any uncalled capital) or its undertaking, present or future,
- (b) (i) carry on any business other than as described from time to time in the Offering Circular relating to the Programme and the related activities described therein and in the LLP Deed, or

- (ii) have any subsidiaries or any subsidiary undertakings (as defined in the Companies Act 2006 as modified for limited liability partnerships) or any employees or premises,
- (c) sell, assign, transfer, convey, lend, part with, charge, declare a trust over, create any beneficial interest in or otherwise dispose of, or deal with, or grant any option or present or future right to acquire any of the Charged Property, or any of its interest, estate, right, title or benefit therein or thereto or agree or attempt or purport to do so,
- (d) pay any Capital Distributions or any other amounts to its Members except in accordance with the LLP Deed,
- (e) incur any indebtedness in respect of borrowed money whatsoever or give any guarantee or indemnity in respect of any indebtedness or of any obligation of any person,
- (f) consolidate or merge with any other person or convey or transfer its properties or assets substantially as an entirety to any other person,
- (g) permit any of the Transaction Documents to which it is a party to become invalid or ineffective, or the priority of the Security Interests created thereby to be reduced, or consent to any variation of, or exercise any powers of consent or waiver pursuant to the terms of any of the Transaction Documents to which it is a party, or permit any party to any of the Transaction Documents to which it is a party or any other person whose obligations form part of the Charged Property to be released from its respective obligations,
- (h) have an interest in any bank account other than the LLP Accounts, unless such account or interest therein is charged to the Security Trustee on terms acceptable to it,
- (i) do any act or thing the effect of which would be to make the LLP resident for tax purposes in any jurisdiction other than the United Kingdom, or
- (j) permit any person other than the LLP and the Security Trustee to have any equitable or beneficial interest in any of its assets or undertakings or any interest, estate, right, title or benefit therein

SCHEDULE 4

DEFINITIONS

Capitalised terms used in this LLP Form 395 and not otherwise defined have the following meaning

"Accession Undertaking" means a form of deed of accession to the Deed of Charge substantially in the form set out in Schedule 2 (*Form of Accession Undertaking*) to the Deed of Charge,

"Account Bank" means the Society,

"Accrued Interest" means in respect of a Loan as at any date the aggregate of all interest accrued but not yet due and payable on the Loan from (and including) the Monthly Payment Date immediately preceding the relevant date to (but excluding) the relevant date,

"Agency Agreement" means the agency agreement (as amended, restated, supplemented or novated from time to time) dated the Programme Date and made between the Issuer, the LLP, the Bond Trustee, the Principal Paying Agent and the other Paying Agents, the Exchange Agent, the Registrar and the Transfer Agents,

"Agents" means each of the Paying Agents, the Registrar, the Exchange Agent and the Transfer Agent,

"Agreement Date" means in respect of any Covered Bond, the date on which agreement is reached for the issue of such Covered Bond as contemplated in Clause 2 (*Agreements to Issue and Purchase Covered Bonds*) of the Programme Agreement which, in the case of the Covered Bonds issued on a syndicated basis or otherwise in relation to which a Subscription Agreement is entered into, shall be the date on which the relevant Subscription Agreement is signed by or on behalf of all the parties to it,

"Arrangers" means BNP Paribas, London Branch and Barclays Bank PLC, and any other entity appointed as an arranger for the Programme or in respect of any particular issue of Covered Bonds under the Programme and references to the **"Arranger"** shall be references to the relevant Arranger or, as the case may be, any of the Arrangers,

"Arrears of Interest" means as at any date in respect of any Loan, interest (other than Capitalised Interest or Accrued Interest) on that Loan which is currently due and payable and unpaid on that date,

"Asset Monitor Agreement" means the asset monitor agreement entered into on the Programme Date between the Asset Monitor, the LLP, the Cash Manager, the Issuer, the Bond Trustee and the Security Trustee,

"Asset Monitor" means a reputable institution appointed as such under the Asset Monitor Agreement,

"Auditors" means the auditors for the time being of the Issuer or, as the case may be, the LLP and, in the case of joint auditors, the joint auditors thereof or, in the event of their being unable or unwilling promptly to carry out any action requested of them pursuant to the provisions of the trust presents, such other firm of accountants as may be nominated or approved by the Bond Trustee and the Security Trustee for the purposes of the trust presents,

"Authorised Investments" means

- (a) Sterling gilt-edged securities, and
- (b) Sterling demand or time deposits, certificates of deposit and short-term debt obligations (including commercial paper) provided that in all cases such investments have a remaining maturity date of 30

days or less and mature on or before the next following LLP Payment Date and the short-term unsecured, unguaranteed and unsubordinated debt obligations of the issuing or guaranteeing entity or the entity with which the demand or time deposits are made (being an authorised person under the FSMA) are rated at least F1+ by Fitch and P-1 by Moody's or their equivalents by three other internationally recognised rating agencies,

provided that such Authorised Investments comply with the requirements of Regulation 2(1)(a) of the RCB Regulations,

"Bank Account Agreement" means the bank account agreement entered into on the Programme Date between the LLP, the Account Bank, the Cash Manager, the Seller, the GIC Provider and the Security Trustee,

"Bearer Covered Bonds" means Covered Bonds in bearer form,

"Bearer Definitive Covered Bonds" means a Bearer Covered Bond in definitive form issued or, as the case may require, to be issued by the Issuer in accordance with the provisions of the Programme Agreement or any other agreement between the Issuer and the relevant Dealer(s), the Agency Agreement and the Trust Deed in exchange for either a Temporary Global Covered Bond or part thereof or a Permanent Global Covered Bond or part thereof (all as indicated in the applicable Final Terms), such Bearer Covered Bond in definitive form being in the form or substantially in the form set out in Part 3 of Schedule 2 to the Trust Deed with such modifications (if any) as may be agreed between the Issuer, the Principal Paying Agent, the Bond Trustee and the relevant Dealer or Lead Manager (in the case of syndicated Issues) and having the Conditions endorsed thereon or, if permitted by the relevant stock exchange, incorporating the Conditions by reference as indicated in the applicable Final Terms and having the relevant information supplementing, replacing or modifying the Conditions appearing in the applicable Final Terms endorsed thereon or attached thereto and (except in the case of a Zero Coupon Covered Bonds in bearer form) having Coupons and, where appropriate, Receipts and/or Talons attached thereto on issue,

"Bearer Global Covered Bond" has the meaning given to it on page 60 of the Offering Circular,

"Beneficial Owner" means each actual purchaser of each DTC Covered Bond,

"Bond Trustee" means HSBC Corporate Trustee Company (UK) Limited, in its capacity as bond trustee under the Trust Deed together with any successor bond trustee or additional bond trustees appointed from time to time thereunder,

"Borrower" means, in respect of a Loan, each individual or individuals specified as such in the relevant Mortgage together with each individual or individuals (if any) from time to time assuming an obligation to repay such Loan or any part of it,

"Business Day" has the meaning given to it in Condition 4(b) (*Interest on Floating Rate Covered Bonds and Index Linked Interest Covered Bonds*) of the Conditions,

"Calculation Agency Agreement" in relation to any Series of Covered Bonds means an agreement in or substantially in the form of Schedule 1 (*Form of Calculation Agency Agreement*) to the Agency Agreement,

"Calculation Agent" means, in relation to all or any Series of the Covered Bonds, the person initially appointed as calculation agent in relation to such Covered Bonds by the Issuer and the LLP pursuant to the Agency Agreement or, if applicable, any successor or separately appointed calculation agent in relation to all or any Series of the Covered Bonds,

"Capital Balance" means, for a Loan at any date, the principal balance of that Loan to which the Servicer applies the relevant interest rate at which interest on that Loan accrues,

"Capital Distribution" means any return on a Member's Capital Contribution in accordance with the terms of the LLP Deed (and excluding, for the avoidance of doubt, any Deferred Consideration),

"Capitalised Arrears" means, for any Loan at any date, interest or other amounts which are overdue in respect of that Loan and which as at that date have been added to the Capital Balance of the Loan in accordance with the Mortgage Conditions or otherwise by arrangement with the relevant Borrower,

"Capitalised Expenses" means in relation to a Loan, the amount of any expense, charge, fee, premium or payment (excluding, however, any Arrears of Interest) capitalised and added to the Capital Balance of that Loan in accordance with the relevant Mortgage Conditions,

"Capitalised Interest" means, for any Loan at any date, interest which is overdue in respect of that Loan and which as at that date has been added to the Capital Balance of that Loan in accordance with the Mortgage Conditions or otherwise by arrangement with the relevant Borrower (excluding for the avoidance of doubt any Arrears of Interest which have not been so capitalised on that date),

"Cash Management Agreement" means the cash management agreement entered into on the Programme Date (as may be amended, supplemented and/or restated from time to time) between the LLP, the Society in its capacity as the Cash Manager and the Security Trustee,

"Cash Management Services" means the services to be provided to the LLP and the Security Trustee pursuant to the Cash Management Agreement,

"Cash Manager" means the Society, in its capacity as cash manager under the Cash Management Agreement together with any successor cash manager appointed from time to time,

"CCA Mortgages" means any Loans and their Related Security (including, without limitation, all Further Advances and other Additional Loan Advances and Product Switches to be sold by the Seller to the LLP from time to time) which

- (a) are regulated by the CCA or treated as such, or
- (b) are originated, modified or novated before 6 April 2006, and provided credit of £25,000 or less as at their date of origination, modification or novation before 6 April 2008, or
- (c) are originated, modified or novated on or after 6 April 2008, and

in paragraphs (b) and (c) above, "modified" means modified by a "modifying agreement" as defined in section 82(2) of the CCA, and in paragraph (b) above "modification" shall be construed accordingly and, in the case of an Additional Loan Advance or a Product Switch which is a CCA Mortgage in respect of which the Initial Advance under the related Loan is not a CCA Mortgage, the term **"CCA Mortgage"** includes such Loan regardless of whether such Additional Loan Advance or Product Switch is in fact made,

"CGCB" means a Temporary Global Covered Bond or a Permanent Global Covered Bond, in either case in respect of which the applicable Final Terms specify that it is not a new global covered bond,

"Certificate of Title" means a solicitor's or licensed conveyancer's certificate of title obtained by or on behalf of the Seller in respect of each Property substantially in the form of the pro-forma set out in the Standard Documentation,

"Charged Property" means the property charged by the LLP pursuant to Clauses 3 1 to 3 9 (inclusive) (*Security and Declaration of Trust*) of the Deed of Charge,

"Clearing Systems" means DTC, Euroclear and/or Clearstream, Luxembourg and shall be deemed to include references to any additional or alternative clearing system as is approved by the Issuer, the Principal Agent and the Bond Trustee or as may otherwise be specified in the applicable Final Terms,

"Closing Bank" means the closing bank agreed between the Issuer, the LLP, the Registrar, the Principal Paying Agent and the relevant Dealer or, as the case may be, the Lead Manager to which the relevant Dealer, or as the case may be, the Lead Manager shall pay the net purchase monies for an issue of Registered Covered Bonds,

"Clearstream, Luxembourg" means Clearstream Banking, société anonyme,

"Conditions" means the terms and conditions of the Covered Bonds (as set out in Schedule 1 to the Trust Deed),

"Consent Agreement" means an agreement whereby a person in or intended to be in occupation of a Property agrees with the Seller to postpone his or her interest (if any) in the Property so that it ranks after the interest created in the relevant Mortgage,

"Converted Covered Bonds" means Covered Bonds that are not denominated in Sterling converted into Sterling at the relevant Covered Bond Swap Rate and the expression **"Covered Bondholder"** shall extend to include in its definition the holder of such converted covered bonds,

"Corporate Services Agreement" means the corporate services agreement entered into by each of the Liquidation Member, Holdings, the Corporate Services Provider and the LLP dated the Programme Date (as may be amended, supplemented and/or restated from time to time),

"Corporate Services Provider" means SFM Corporate Services Limited, a company incorporated in England and Wales in its capacity as corporate services provider to the LLP, Holdings and the Liquidation Member under a Corporate Services Agreement, together with any successor corporate services provider appointed from time to time,

"Coupon" means an interest coupon appertaining to a definitive Covered Bond (other than a Zero Coupon Covered Bond), such coupon being

- (a) if appertaining to a Fixed Rate Covered Bond, in the form or substantially in the form set out in Part 5 of Schedule 2 (*Form of Coupon*) to the Trust Deed or in such other form, having regard to the terms of issue of the Covered Bonds of the relevant Series, as may be agreed between the Issuer, the Principal Paying Agent, the Bond Trustee and the relevant Dealer(s), or
- (b) if appertaining to a Floating Rate Covered Bond or an Index Linked Interest Covered Bond, in the form or substantially in the form set out in Part 5 of Schedule 2 (*Form of Coupon*) to the Trust Deed or in such other form, having regard to the terms of issue of the Covered Bonds of the relevant Series, as may be agreed between the Issuer, the Principal Paying Agent, the Bond Trustee and the relevant Dealer(s), or
- (c) if appertaining to a Bearer Definitive Covered Bond which is neither a Fixed Rate Covered Bond nor a Floating Rate Covered Bond nor an Index Linked Interest Covered Bond, in such form as may be agreed between the Issuer, the Principal Paying Agent, the Bond Trustee and the relevant Dealer(s),

and includes, where applicable, the Talon(s) appertaining thereto and any replacements for Coupons and Talons issued pursuant to Condition 10 (*Replacement of Covered Bonds, Receipts, Coupons and Talons*),

"Couponholders" means the holders of the Coupons (which expression shall, unless the context otherwise requires, include the holders of the Talons),

"Coventry Group" means the Society and its Subsidiaries collectively,

"Covered Bond" means each covered bond issued or where applicable to be issued pursuant to the Programme Agreement and which is or is to be constituted under the Trust Deed, which covered bond may be represented by a Global Covered Bond or any Definitive Covered Bond and includes any replacements or a Covered Bond issued pursuant to Condition 10 (*Replacement of Covered Bonds Receipts, Coupons and Talons*),

"Covered Bondholders" means the several persons who are for the time being holders of outstanding Covered Bonds (being, in the case of Bearer Covered Bonds, the bearers thereof and, in the case of Registered Covered Bonds, the several persons whose names are entered in the register of holders of the Registered Covered Bonds as the holders thereof) save that, in respect of the Covered Bonds of any Series, for so long as such Covered Bonds or any part thereof are represented by a Bearer Global Covered Bond deposited with a common depository (in the case of CGCB) or the common safekeeper (in the case of a NGCB) for Euroclear and Clearstream, Luxembourg, or as the case may be, the common safekeeper, or so long as DTC, Euroclear or Clearstream, Luxembourg or its nominee is the registered holder of a Registered Global Covered Bond each person who is for the time being shown in the records of Euroclear or Clearstream, Luxembourg (other than Clearstream, Luxembourg, if Clearstream, Luxembourg shall be an accountholder of Euroclear and Euroclear, if Euroclear shall be an accountholder of Clearstream, Luxembourg) or, as the case may be, DTC or its nominee as the holder of a particular principal amount of the Covered Bonds of such Series shall be deemed to be the holder of such principal amount of such Covered Bonds (and the holder of the relevant Global Covered Bond shall be deemed not to be the holder) for all purposes of the trust presents other than with respect to the payment of principal or interest on such principal amount of such Covered Bonds and, in the case of DTC or its nominee, voting, giving consents and making requests pursuant to the trust presents, the rights to which shall be vested, as against the Issuer, the LLP and the Bond Trustee, solely in such common depository or, as the case may be, DTC or its nominee and for which purpose such common depository or, as the case may be, DTC or its nominee shall be deemed to be the holder of such principal amount of such Covered Bonds in accordance with and subject to its terms and the provisions of the trust presents and the expressions **"Covered Bondholder"**, **"Holder"** and **"holder of Covered Bonds"** and related expressions shall be construed accordingly,

"Covered Bond Swaps" means swap transactions governed by the Covered Bond Swap Agreements,

"Covered Bond Swap Agreement" means each agreement between the LLP and a Covered Bond Swap Provider governing a Covered Bond Swap entered into with such Covered Bond Swap Provider in the form of an ISDA Master Agreement, including a schedule and confirmations in relation to each such Covered Bond Swap,

"Covered Bond Swap Provider" means each provider of a Covered Bond Swap under a Covered Bond Swap Agreement,

"Covered Bond Swap Rate" means in relation to a Covered Bond or Series of Covered Bonds, the exchange rate specified in the Covered Bond Swap Agreement relating to such Covered Bond or Series of Covered Bonds or, if the Covered Bond Swap Agreement has terminated, the applicable spot rate,

"Dealers" means each of BNP Paribas, London Branch, Barclays Bank PLC (acting through its investment bank division, Barclays Capital) and any other New Dealer which the Issuer and the LLP may appoint as a Dealer in accordance with Clause 12 (*Appointment of New Dealers*) of the Programme Agreement, but excluding any entity whose appointment has been terminated in accordance with Clause 11 (*Termination of Appointment of Dealers*) of the Programme Agreement and notice of such termination has been given to the Principal Paying Agent and the Bond Trustee by the Issuer in accordance with the provisions of the

Programme Agreement and references to a "**relevant Dealer**" or the "**relevant Dealer(s)**" mean, in relation to any Tranche or Series of Covered Bonds, the Dealer or Dealers with whom the Issuer has agreed the issue of the Covered Bonds of such Tranche or Series and "**Dealer**" means any one of them,

"**Deed of Admission**" means any deed of admission entered into from time to time between the Original Members, the LLP and any New Members, on the terms substantially set out in the form annexed to Schedule 2 (*Deed of Admission*) to the LLP Deed,

"**Deed of Charge**" means the deed of charge (as amended, restated, supplemented or novated from time to time) dated the Programme Date made between the LLP, the Bond Trustee, the Security Trustee and certain other Secured Creditors,

"**Deed of Postponement**" means a deed or agreement whereby a mortgagee of a Property agrees with the Seller to postpone its mortgage over the Property so that the sums secured by it will rank for repayment after the sums secured by the relevant Mortgage,

"**Definitive Covered Bond**" means a Bearer Definitive Covered Bond and/or, as the context may require, a Registered Definitive Covered Bond,

"**Definitive Regulation S Covered Bond**" means a Registered Covered Bond in definitive form sold to non-U S persons outside the United States in reliance on Regulation S,

"**Definitive Rule 144A Covered Bond**" means a Registered Covered Bond in definitive form in the United States sold to QIBs pursuant to Rule 144A,

"**Designated Account**" has the meaning given in Condition 5(d) (*Payments-Payments in respect of Registered Covered Bonds*) of the Conditions,

"**Directors**" means the Board of Directors for the time being of the Issuer,

"**Distribution Compliance Period**" means the period that ends 40 days after the completion of the distribution of each Tranche of Covered Bonds, as certified by the relevant Dealer (in the case of a non-syndicated issue) or the relevant Lead Manager (in the case of a syndicated issue),

"**DTC**" means The Depository Trust Company or its successors,

"**DTCC**" means The Depository Trust & Clearing Corporation,

"**DTC Covered Bonds**" means Covered Bonds accepted into DTC's book-entry settlement system,

"**Earliest Maturing Covered Bonds**" means at any time the Series of the Covered Bonds (other than any Series which is fully collateralised by amounts standing to the credit of the LLP Accounts) that has or have the earliest Final Maturity Date as specified in the applicable Final Terms (ignoring any acceleration of amounts due under the Covered Bonds prior to the occurrence of an LLP Event of Default),

"**Encumbrance**" has the same meaning as "**Security Interest**",

"**Equity Linked Covered Bonds**" means Covered Bonds in respect of which payments will be calculated by reference to the price, value, performance or some other factor relating to one or more Reference Assets, as set out in the applicable Final Terms,

"**Excess Proceeds**" means monies received (following the occurrence of an Issuer Event of Default and delivery of an Issuer Acceleration Notice) by the Bond Trustee from the Issuer or any administrator,

administrative receiver, receiver, liquidator, trustee in sequestration or other similar official appointed in relation to the Issuer,

"Exchange Agent" means HSBC Bank plc in its capacity as exchange agent (which expression shall include any successor exchange agent),

"Existing Covered Bonds" means the Covered Bonds of all Series then Outstanding,

"Expenses" means amounts incurred by a Member, in connection with, or for the purpose of, acting as a Member on behalf of the LLP or in furtherance of the LLP's Business,

"Extended Due for Payment Date" means, in relation to any Series of Covered Bonds, the date, if any, specified as such in the applicable Final Terms to which the payment of all or (as applicable) part of the Final Redemption Amount payable on the Final Maturity Date will be deferred in the event that the Final Redemption Amount is not paid in full on the Extension Determination Date,

"Extension Determination Date" means, in respect of a Series of Covered Bonds, the date falling two Business Days after the expiry of seven days from (and including) the Final Maturity Date of such Series of Covered Bonds,

"Final Terms" means the final terms document substantially in the form set out in the Offering Circular which, with respect to Covered Bonds to be admitted to the Official List and admitted to trading by the London Stock Exchange, will be delivered to the UK Listing Authority and the London Stock Exchange on or before the date of issue of the applicable Tranche of Covered Bonds,

"First Issue Date" means the date on which the Issuer issues a Series of Covered Bonds for the first time pursuant to the Programme,

"Fitch" means Fitch Ratings Ltd ,

"First Transfer Date" means the date on which the Initial Portfolio is transferred to the LLP pursuant to the Mortgage Sale Agreement,

"Fixed Rate Covered Bond" means a Covered Bond on which interest is calculated at a fixed rate payable in arrear on a fixed date or fixed dates in each year and on redemption or on such other dates as may be agreed between the Issuer and the relevant Dealer(s) (as indicated in the applicable Final Terms),

"Flexible Loan" means a type of Loan product that typically incorporates features that give the Borrower options (which may be subject to certain conditions) to, among other things, make further drawings on the Loan Account and/or to overpay or underpay interest and principal in a given month and/or take a payment holiday,

"Floating Rate" has the meaning given in the ISDA Definitions,

"Floating Rate Covered Bond" means Covered Bonds which bear interest at a rate determined

- (a) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the ISDA Definitions, or
- (b) on the basis of a reference rate appearing on the agreed screen page of a commercial quotation service, or
- (c) on such other basis as may be agreed between the Issuer and the relevant Dealer(s),

as set out in the applicable Final Terms

"FSA" means the Financial Services Authority,

"FSMA" means the Financial Services and Markets Act 2000, as amended,

"GIC Account" means the account in the name of the LLP held with the Account Bank and maintained subject to the terms of the Guaranteed Investment Contract, the Bank Account Agreement and the Deed of Charge, or such additional or replacement account as may for the time being be in place with the prior consent of the Security Trustee,

"Global Covered Bond" means a Bearer Global Covered Bond and/or Registered Global Covered Bond, as the context may require,

"Guaranteed Amounts" means, prior to the service of an LLP Acceleration Notice, with respect to any Original Due for Payment Date or, if applicable, any Extended Due for Payment Date, the sum of Scheduled Interest and Scheduled Principal, in each case, payable on that Original Due for Payment Date or, if applicable, any Extended Due for Payment Date, or after service of an LLP Acceleration Notice, an amount equal to the relevant Early Redemption Amount as specified in the Conditions plus all accrued and unpaid interest and all other amounts due and payable in respect of the Covered Bonds, including all Excluded Scheduled Interest Amounts, all Excluded Scheduled Principal Amounts (whenever the same arose) and all amounts payable by the LLP under the Trust Deed,

"Guaranteed Investment Contract" or "GIC" means the guaranteed investment contract between the LLP, the GIC Provider, the Security Trustee and the Cash Manager dated the Programme Date,

"Guarantee" means the Covered Bond Guarantee,

"Guarantor" means Coventry Building Society Covered Bonds LLP, a limited liability partnership incorporated in England and Wales (partnership no OC337802),

"Holdings" means Coventry Covered Bonds Finance (Holdings) Limited, a special purpose vehicle incorporated in England and Wales as a private limited company (registered no 6609155),

"Index Linked Covered Bond" means an Index Linked Redemption Covered Bond or an Index Linked Interest Covered Bond,

"Index Linked Interest Covered Bond" means a Covered Bond in respect of which the payments of interest will be calculated by reference to such index and/or a formula or to changes in the prices of securities or commodities and/or to such other factors as the Issuer and the relevant Dealer(s) may agree (as indicated in the applicable Final Terms),

"Index Linked Redemption Covered Bond" means a Covered Bond in respect of which the amount payable in respect of principal is calculated by reference to an index and/or a formula or to changes in the prices of securities or commodities and/or to such other factors as the Issuer and the relevant Dealer(s) may agree (as indicated in the applicable Final Terms),

"Initial Covered Bonds" means the Covered Bonds issued on the First Issue Date,

"Initial Advance" means, in respect of any Loan, the original principal amount advanced by the Seller to the relevant Borrower,

"Initial Documentation List" means the lists of documents set out in Schedule 1 to the Programme Agreement,

"Initial Portfolio" means the portfolio of Loans and their Related Security, particulars of which are set out in a CD ROM delivered pursuant to the Mortgage Sale Agreement (other than any Loans and their Related Security which have been redeemed in full prior to the First Transfer Date), including, without limitation, all right, title, interest and benefit of the Seller in and to

- (a) all payments of principal and interest (including, for the avoidance of doubt, all Accrued Interest, Arrears of Interest, Capitalised Interest, Capitalised Expenses and Capitalised Arrears) and other sums due or to become due in respect of such Loans and Related Security including, without limitation, the right to demand, sue for, recover and give receipts for all principal monies, interest and costs and the right to sue on all covenants and any undertakings made or expressed to be made in favour of the Seller under the applicable Mortgage Conditions,
- (b) subject where applicable to the subsisting rights of redemption of Borrowers, all Deeds of Consent, Deeds of Postponement or any collateral security for the repayment of the relevant Loans,
- (c) the right to exercise all the powers of the Seller in relation thereto,
- (d) all the estate and interest in the Properties vested in the Seller,
- (e) the proceeds of all claims made by or on behalf of the Seller or to which the Seller is entitled under the Freedom of Agency insurance policy in relation to any such Loan, and
- (f) to the extent they are assignable, each Certificate of Title and Valuation Report (in each case where available) and any right of action of the Seller against any solicitor, licensed conveyancer, valuer or other person in connection with any report, valuation, opinion, certificate or other statement of fact or opinion given in connection with such Loans and Related Security, or any part thereof or affecting the decision of the Seller to make or offer to make any such Loan or part thereof,

"Initial Purchase Price" means the amount to be paid by the LLP to the Society, in its capacity as Seller in consideration of the sale by the Society, in its capacity as Seller of the Initial Portfolio to the LLP,

"Insolvency Act" means the Insolvency Act 1986 as amended,

"Insurance Policy" means any insurance policy in favour of the Seller (including, the "Freedom of Agency" insurance policy) and any endorsements or extensions thereto as issued from time to time,

"Intercompany Loan" means the term loan entered into on the Programme Date made between the Issuer, the Cash Manager, the LLP and the Security Trustee and **"Intercompany Loan Agreement"** means the related term loan agreement,

"Interest Rate Swap" means the interest rate swap entered into between the LLP and the Society (in its capacity as Interest Rate Swap Provider) on the Programme Date,

"Interest Rate Swap Agreement" means the agreement between the LLP and the Interest Rate Swap Provider dated the Programme Date governing the Interest Rate Swap in the form of an ISDA Master Agreement, including a schedule and confirmation thereto,

"Interest Rate Swap Provider" means the Society, in its capacity as interest rate swap provider under the Interest Rate Swap Agreement together with any successor interest rate swap provider,

"ISDA" means International Swaps and Derivatives Association, Inc ,

"ISDA Definitions" means the 2006 ISDA Definitions, as published by ISDA,

"ISDA Master Agreement" means the 1992 ISDA Master Agreement (Multicurrency - Cross Border), as published by ISDA,

"ISDA Rate" has the meaning given in Condition 4(b)(1)(A)(Interest-Interest on Floating Rate Covered Bonds and Index Linked Interest Covered Bonds) of the Conditions,

"Issue" means the issue and purchase of Covered Bonds pursuant to and in accordance with the Programme Agreement or any other agreement between the Issuer and the relevant Dealer(s) in respect of an Issue Date,

"Issue" means the issue and purchase of Covered Bonds pursuant to and in accordance with the Programme Agreement or any other agreement between the Issuer and the relevant Dealer(s) in respect of an Issue Date,

"Issue Date" means each date on which the Issuer issues Covered Bonds to Covered Bondholders as specified in the applicable Final Terms,

"Issuer" means Coventry Building Society, a building society incorporated under the Building Societies Act 1986, whose principal office is Oakfield House, Binley Business Park, Coventry CV3 2TQ,

"Issuer Acceleration Notice" has the meaning given to it in Condition 9(a) (*Events of Default and Enforcement - Issuer Events of Default*) of the Conditions,

"Issuer Event of Default" has the meaning given in Condition 9(a) (*Events of Default and Enforcement - Issuer Events of Default*) of the Conditions,

"Issuer Subordinated Loan" has the meaning given on page 149 of the Offering Circular,

"Issuer Warranties" means the representations and warranties set out in Schedule 5 (*Issuer's Representations And Warranties*) to the Trust Deed,

"Lead Manager" means, in relation to any Tranche of Covered Bonds, the person named as the Lead Manager in the applicable Subscription Agreement or, when only one Dealer signs such Subscription Agreement, such Dealer,

"Legended Covered Bonds" means the Registered Covered Bonds in definitive form that are issued to Institutional Accredited Investors and Registered Covered Bonds (whether in definitive form or represented by a Registered Global Covered Bonds) sold in private transactions to QIBs in accordance with the requirements of Rule 144A,

"Lending Criteria" means the lending criteria of the Seller from time to time, or such other criteria as would be acceptable to a Reasonable, Prudent Mortgage Lender,

"Liquidation Member" means Coventry Covered Bonds Finance Limited, a special purpose vehicle incorporated in England and Wales as a private limited company (registered no 6610089),

"Listing Agent" means, in relation to any Covered Bonds which are, or are to be, listed, quoted and/or traded on or by a Stock Exchange other than the London Stock Exchange (including but not limited to the Luxembourg Stock Exchange), the listing agent appointed by the Issuer from time to time for the purposes of liaising with that Stock Exchange and, in relation to any Covered Bonds listed on the London Stock Exchange, the Authorised Adviser,

"LLP" means Coventry Building Society Covered Bonds LLP, a limited liability partnership incorporated in England and Wales (partnership no OC337802),

"LLP Acceleration Notice" means a notice in writing given by the Bond Trustee to the Issuer and the LLP, that, each Covered Bond of each Series is, and each Covered Bond of each Series shall as against the Issuer (if not already due and repayable against it following an Issuer Event of Default) and as against the LLP, thereupon immediately become, due and repayable at its Early Redemption Amount together with accrued interest as provided in and in accordance with the Trust Deed and thereafter the Security shall become enforceable if any of the LLP Events of Default shall occur and be continuing,

"LLP Accounts" means each of the GIC Account, the Transaction Account and any additional or replacement accounts opened in the name of the LLP from time to time including the Stand-by GIC Account and the Stand-by Transaction Account,

"LLP Agreements" means the Transaction Documents to which the LLP is a party (other than the Corporate Services Agreement and each agreement which is, at any time, treated as an LLP Agreement pursuant to any Accession Undertaking under the Deed of Charge),

"LLP Deed" means the limited liability partnership deed entered into on the Programme Date between the LLP, the Society, in its capacity as Seller, the Issuer, the Liquidation Member, the Bond Trustee and the Security Trustee,

"LLP Management Committee" means the Management Committee which will act on behalf of the LLP and to which (other than any decision to approve the audited accounts of the LLP or to make a resolution for the voluntary winding up of the LLP, which require a unanimous decision of the Members) the Members delegate all matters,

"LLP Event of Default" has the meaning given in Condition 9(b) (*LLP Events of Default*) of the Conditions,

"LLP Power of Attorney" means the security power of attorney executed by the LLP pursuant to the Deed of Charge, substantially in the form set out in Schedule 1 (*Form of Security Power of Attorney*),

"Loan" means any mortgage loan which is, or is to be, sold, assigned and transferred by the Seller to the LLP from time to time under the terms of the Mortgage Sale Agreement (including, without limitation, all Flexible Loans, Product Switches and Additional Loan Advances which are, or are to be, sold, assigned and transferred by the Seller to the LLP under the terms of the Mortgage Sale Agreement and further including any Loans which are CCA Mortgages) and referenced by its mortgage loan identifier number and comprising the aggregate of all principal sums, interest, costs, charges, expenses and other monies due or owing with respect to that mortgage loan under the relevant Mortgage Conditions by a Borrower on the security of a Mortgage over Property located in England or Wales from time to time outstanding, or, as the context may require, the Borrower's obligations in respect of the same but excludes any mortgage loan which is repurchased by the Seller or otherwise sold by the LLP and no longer beneficially owned by it,

"Loan Files" means the file or files relating to each Loan (including files kept in microfiche format or similar electronic data retrieval system or the substance of which is transcribed and held on an electronic data retrieval system) containing *inter alia* correspondence between the Borrower and the Seller and including mortgage documentation applicable to that Loan, each letter of offer for that Loan, the Valuation Report (if applicable) and, to the extent available, the solicitor's or licensed conveyancer's Certificate of Title,

"Loan Account" means, as the context requires, either (a) all Loans secured on the same Property, or (b) an account maintained by the Servicer in respect of a particular Loan (whether by way of principal, interest or otherwise) and all amounts received in respect thereof,

"Loan Agreement" means, in relation to a Loan, the loan agreement entered into between the relevant Borrower and the Seller, as amended, restated, supplemented or novated from time to time,

"Loan Terms" means all the terms and conditions applicable to a Loan,

"Loan-to-Value Ratio" means the ratio (expressed as a percentage) of the Outstanding Principal Balance of a Loan to the value of the relevant Property securing that Loan,

"London Stock Exchange" means London Stock Exchange plc,

"Long Maturity Covered Bond" means a Fixed Rate Covered Bond (other than a Fixed Rate Covered Bond which on issue had a Talon attached) whose nominal amount on issue is less than the aggregate interest payable thereon provided that such Covered Bond shall cease to be a Long Maturity Covered Bond on the Interest Payment Date on which the aggregate amount of interest remaining to be paid after that date is less than the Principal Amount Outstanding of such Covered Bond,

"LTV Ratio" has the same meaning as **"Loan-to-Value Ratio"**,

"Master Definitions and Construction Agreement" means the master definitions and construction agreement made between the parties to the Transaction Documents on or about the Programme Date,

"Members" means, from time to time, each member of the LLP,

"Monthly Payment Date" means, in relation to a Loan, the date in each month on which the relevant Borrower is required to make a payment of interest and, if applicable, principal for that Loan, as required by the applicable Mortgage Conditions,

"Moody's" means Moody's Investors Service Limited,

"Mortgage" means, in respect of any Loan, each first charge by way of legal mortgage which is, or is to be, sold by the Seller to the LLP pursuant to the Mortgage Sale Agreement, which secures the repayment of the relevant Loan including the Mortgage Conditions applicable to it,

"Mortgage Conditions" or **"Loan Conditions"** means all the terms and conditions applicable to a Loan, including without limitation those set out in the Seller's relevant mortgage conditions booklet and the Seller's relevant general conditions, each as varied from time to time by the relevant Loan Agreement and the relevant Mortgage Deed,

"Mortgage Deed" means, in respect of any Mortgage, the deed in written form creating that Mortgage,

"Mortgagee" means the person for the time being entitled to exercise the rights of the mortgagee under a Mortgage,

"Mortgage Sale Agreement" means the mortgage sale agreement entered into on the Programme Date between the Seller, the LLP and the Security Trustee,

"MSA" means Mortgage Sale Agreement,

"New Member" means a new Member who shall be admitted to the LLP after the Programme Date pursuant to Clause 32 (*New Members*) of the LLP Deed,

"New Portfolio" means, in each case the portfolio of New Loans and their Related Security (other than any New Loans and their Related Security which have been redeemed in full prior to the Transfer Date or which do not otherwise comply with the terms of the Mortgage Sale Agreement as at the Transfer Date), particulars of which are set out in the relevant New Portfolio Notice or in a document stored upon electronic media (including, but not limited to, a CD-ROM), and all right, title, interest and benefit of the Seller in and to

- (a) all payments of principal and interest (including, for the avoidance of doubt, all Accrued Interest, Arrears of Interest, Capitalised Interest, Capitalised Expenses and Capitalised

Arrears) and other sums due or to become due in respect of such Loans and their Related Security including, without limitation, the right to demand, sue for, recover and give receipts for all principal monies, interest and costs and the right to sue on all covenants and undertakings made or expressed to be made in favour of the Seller under the applicable Mortgage Conditions,

- (b) subject where applicable to the subsisting rights of redemption of Borrowers, all Deeds of Consent, Deeds of Postponement or any collateral security for the repayment of the relevant Loans,
- (c) the right to exercise all the powers of the Seller in relation thereto,
- (d) all the estate and interest in the Properties vested in the Seller,
- (e) the proceeds of all claims made by or on behalf of the Seller or to which the Seller is entitled under the Freedom of Agency insurance policy in relation to any such Loan, and
- (f) to the extent they are assignable, each Certificate of Title and Valuation Report (in each case where available) and any right of action of the Seller against any solicitor, licensed conveyancer, valuer or other person in connection with any report, valuation, opinion, certificate or other statement of fact or opinion given in connection with such Loans and their Related Security, or any part thereof or affecting the decision of the Seller to make or offer to make any such Loan or part thereof,

"New Portfolio Notice" means a notice in the form set out in Schedule 7 (*New Portfolio Notice*) to the Mortgage Sale Agreement subject to any amendment as may be agreed between the parties thereto served in accordance with the terms of the Mortgage Sale Agreement,

"New Secured Creditor" means any person which becomes a Secured Creditor pursuant to and in accordance with the Deed of Charge,

"New Loans" means Loans, other than the Loans comprised in the Initial Portfolio, which a Seller may assign or transfer, to the LLP after the First Transfer Date pursuant to Clause 4 (*Sale and Purchase of New Portfolios*) of the Mortgage Sale Agreement,

"New Loan Type" means a new type of mortgage loan originated or acquired by the Seller, which the Seller intends to transfer to the LLP, the terms and conditions of which are materially different (in the opinion of the Seller, acting reasonably) from the Loans comprised in the Initial Portfolio. For the avoidance of doubt, a mortgage loan will not constitute a New Loan Type if it differs from the Loans comprised in the Initial Portfolio due to it having different interest rates and/or interest periods and/or time periods for which it is subject to a fixed rate, capped rate, tracker rate or any other interest rate or the benefit of any discounts, cash-backs and/or rate guarantees,

"New Dealer" means any entity appointed as an additional Dealer in accordance with Clause 12 (*Appointment of New Dealers*) of the Programme Agreement,

"New Portfolio Notice" means a notice in the form set out in Schedule 7 (*New Portfolio Notice*) to the Mortgage Sale Agreement subject to any amendment as may be agreed between the parties thereto served in accordance with the terms of the Mortgage Sale Agreement,

"New Seller" means any member of the Coventry Group (other than the Society) that is a "connected person" as defined in Regulation 5 of the RCB Regulations and that accedes to the relevant Transaction Documents and sells Loans and their Related Security to the LLP in the future,

"NGCB" means a Temporary Global Covered Bond or a Permanent Global Covered Bond, in either case in respect of which the applicable Final Terms specify that it is a new global covered bond,

"Offer Conditions" means the terms and conditions applicable to a specified Loan as set out in the relevant offer letter to the Borrower,

"Offering Circular" means the offering circular prepared in connection with the Programme which constitutes a base prospectus for the purposes of Article 5 4 of the Prospectus Directive, as revised, supplemented and/or amended from time to time by the Issuer and the LLP in accordance with Clause 5 2 (*Updating of the Offering Circular*) of the Programme Agreement including any documents which are from time to time incorporated in the Offering Circular by reference except that

- (a) in relation to each Tranche of Covered Bonds, only the applicable Final Terms shall be deemed to be included in the Offering Circular, and
- (b) for the purpose of Clause 5 2 (*Updating of Offering Circular*) of the Programme Agreement in respect of the Agreement Date and the Issue Date, the Offering Circular means the Offering Circular as at the Agreement Date, but not including any subsequent revision, supplement or amendment to it or incorporation of information in it,

"Official List" means the Official List of the UK Listing Authority,

"Partly Paid Covered Bonds" means Covered Bonds which are only partly paid up on issue, in respect of which interest will accrue in accordance with Condition 4 4 on the paid-up amount of such Covered Bonds or on such other basis as may be agreed between the Issuer and the relevant Dealer(s) and indicated in the applicable Final Terms,

"Paying Agents" means, in relation to all or any Series of the Covered Bonds, the several institutions (including, where the context permits, the Principal Paying Agent) at their respective specified offices initially appointed as paying agents in relation to such Covered Bonds by the Issuer and the LLP pursuant to the Agency Agreement and/or, if applicable, any Successor paying agents at their respective specified offices in relation to all or any Series of the Covered Bonds,

"Permanent Global Covered Bond" means a global covered bond in the form or substantially in the form set out in Part 2 of Schedule 2 (*Form of Permanent Global Covered Bond*) to the Trust Deed with such modifications (if any) as may be agreed between the Issuer, the Principal Paying Agent, the Bond Trustee and the relevant Dealer(s), together with the copy of the applicable Final Terms annexed thereto, comprising some or all of the Covered Bonds of the same Series, issued by the Issuer pursuant to the Programme Agreement or any other agreement between the Issuer and the relevant Dealer(s) relating to the Programme, the Agency Agreement and the trust presents in exchange for the whole or part of any Temporary Global Covered Bond issued in respect of such Covered Bonds,

"Portfolio" means the Initial Portfolio and each New Portfolio acquired by the LLP,

"Programme" means the Covered Bond programme established by, or otherwise contemplated in, the Programme Agreement and the Trust Deed,

"Programme Agreement" means the agreement dated the Programme Date between the Issuer, the LLP and the Dealers named therein (or deemed named therein) concerning the purchase of Covered Bonds to be issued pursuant to the Programme together with any accession letters and/or agreements supplemental thereto,

"Programme Date" means 17 July 2008,

"Property" means a freehold, leasehold or commonhold property which is subject to a Mortgage,

"Prospectus Directive" means Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 on the prospectus to be published when securities are offered to the public or admitted to trading and amending Directive 2001/34/EC,

"Purchase Price" means consideration to be paid by the LLP to

- (a) the Seller in consideration of the Seller's sale of the Initial Portfolio to the LLP,
- (b) the Seller in consideration of that Seller's sale of the relevant New Portfolio to the LLP,

"Purchaser" means any third party or the Seller to whom the LLP offers to sell Selected Loans,

"QIB" means a "qualified institutional buyer" within the meaning of Rule 144A,

"Rating Agencies" means Moody's and Fitch and each a **"Rating Agency"**,

"Rating Agency Confirmation" means a confirmation in writing by each of Moody's and Fitch that the then current ratings of the Covered Bonds will not be adversely affected by or withdrawn as a result of the relevant event or matter provided that if (a) a confirmation of rating or other response by a Rating Agency is a condition to any action or step under any Transaction Document, and (b) a written request for such confirmation or response is delivered to that Rating Agency by any of the LLP, the Issuer, Bond Trustee and/or the Security Trustee, as applicable (each a **Requesting Party**) and the Rating Agency indicates that it does not consider such confirmation or response necessary in the circumstances, the Requesting Party shall be entitled to assume that the then current ratings of the Covered Bonds on issue will not be downgraded or withdrawn by such Rating Agency as a result of such action or step. However, nothing herein shall in any way affect the right of a Rating Agency to downgrade or withdraw its then Current Ratings of the Covered Bonds in such a manner as it sees fit,

"Reasonable Prudent Lender" or **"Reasonable, Prudent Mortgage Lender"** means the Sellers and/or the Servicers, as applicable, acting in accordance with the standards of a reasonably prudent residential mortgage lender lending to Borrowers in England and Wales, who generally satisfy the lending criteria of traditional sources of residential mortgage capital,

"Receipt" means a receipt attached on issue to a Bearer Definitive Covered Bond redeemable in instalments for the payment of an instalment of principal, such receipt being in the form or substantially in the form set out in Part 4 of Schedule 2 to the Trust Deed or in such other form as may be agreed between the Issuer, the Principal Paying Agent, the Bond Trustee and the relevant Dealer(s) and includes any replacements for Receipts issued pursuant to Condition 10 (*Replacement of Covered Bonds, Receipts, Coupons and Talons*) of the Conditions,

"Receiptholders" means the holders of the Receipts,

"Receiver" means any person or persons appointed (and any additional person or persons appointed or substituted) as an administrative receiver, receiver, manager, or receiver and manager of the Charged Property by the Security Trustee pursuant to Clause 10.1 (*Appointment*) of the Deed of Charge,

"Registered Covered Bonds" means Covered Bonds in registered form,

"Register" means the register of holders of the Registered Covered Bonds maintained by the Registrar,

"Registered Definitive Covered Bond" means a Registered Covered Bond in definitive form issued or, as the case may require, to be issued by the Issuer in accordance with the provisions of the Programme

Agreement or any other agreement between the Issuer and the relevant Dealer(s), the Agency Agreement and the Trust Deed either on issue or in exchange for a Registered Global Covered Bond or part thereof (all as indicated in the applicable Final Terms), such Registered Covered Bond in definitive form being in the form or substantially in the form set out in Part 8 of Schedule 2 (*Form of Registered Definitive Covered Bond*) to the Trust Deed with such modifications (if any) as may be agreed between the Issuer, the Principal Paying Agent, the Bond Trustee and the relevant Dealer(s) and having the Conditions endorsed thereon or, if permitted by the relevant stock exchange, incorporating the Conditions by reference (where applicable to the Trust Deed) as indicated in the applicable Final Terms and having the relevant information supplementing, replacing or modifying the Conditions appearing in the applicable Final Terms endorsed thereon or attached thereto and having a Form of Transfer endorsed thereon,

"Registered Global Covered Bonds" means the Rule 144A Global Covered Bonds together with the Regulation S Global Covered Bonds,

"Registered Land" means land in England and Wales, title to which is, or is required to be, registered at the Land Registry,

"Regulation S" means Regulation S under the Securities Act,

"Regulation S Covered Bond" means either a Regulation S Global Covered Bond or Definitive Regulation S Covered Bond. The plural includes either or both,

"Regulation S Global Covered Bond" means a Global Covered Bond in registered form representing a Registered Covered Bond of a Tranche sold to non-U S persons outside the United States in reliance on Regulation S and in the form or substantially in the form set out in Part 7 of Schedule 2 (*Form of Registered Global Covered Bond*) to the Trust Deed,

"Related Security" means, in relation to a Loan, the security for the repayment of that Loan including the relevant Mortgage and all other matters applicable thereto acquired as part of the Portfolio which is, or is to be sold to the LLP pursuant to Clause 4 of the Mortgage Sale Agreement including (without limitation)

- (a) the benefit of all affidavits, consents, renunciations, guarantees, indemnities, waivers and postponements (including, without limitation, Deeds of Consent and Deeds of Postponement) from occupiers and other persons having an interest in or rights in connection with the relevant Property or third parties,
- (b) each right of action of the Seller against any person (including, without limitation, any valuer, licensed conveyancer, solicitor and any registrar or registry) in connection with any report, valuation, opinion, certificate or other statement of fact or opinion (including, without limitation, each Certificate of Title and Valuation Report) given or received in connection with all or part of any Loan and its Related Security or affecting the decision of the Seller to make or offer to make all or part of the relevant Loan, and
- (c) the benefit of (including, without limitation, the rights as the insured person under and as notations of interest on, returns of premium and proceeds of claims under) insurance and assurance policies deposited, charged, obtained, or held in connection with the relevant Loan, Mortgage and/or Property and Loan Files,

"Relevant" means

- (a) when used in relation to the execution of or the entering into of a Transaction Document and in conjunction with a reference to any Transaction Party, a Transaction Document which such Transaction Party is required to execute or enter into or has executed or entered into,

- (b) when used in respect of the Transaction Documents generally and in conjunction with a reference to any particular Transaction Party, the Transaction Documents to which such Transaction Party is a party together with the Transaction Documents that contain provisions that otherwise bind or confer rights upon such Transaction Party,

and references to "Relevant Transaction Documents" and cognate expressions shall be construed accordingly,

"Relevant Date" has the meaning set out in Condition 7 (*Taxation*) of the Conditions,

"Representations and Warranties" means the representations and warranties set out in Schedule 1 to the Mortgage Sale Agreement, which are made by any Seller,

"Revenue Receipts" means

- (a) payments of interest (excluding Accrued Interest and Arrears of Interest as at the relevant Transfer Date of a Loan) and other fees due from time to time under the Loans and other amounts received by the LLP in respect of the Loans other than the Principal Receipts,
- (b) recoveries of interest from defaulting Borrowers under Loans being enforced, and
- (c) recoveries of interest and/or principal from defaulting Borrowers under Loans in respect of which enforcement procedures have been completed,

"Rule 144A" means Rule 144A under the Securities Act,

"Rule 144A Covered Bond" means either a Rule 144A Global Covered Bond or Definitive Rule 144A Covered Bond. The plural includes either or both,

"Rule 144 A Global Covered Bond" means a Global Covered Bond in registered form representing a Registered Covered Bond of a Tranche sold to QIBs pursuant to Rule 144A,

"SEC" means the U S Securities and Exchange Commission,

"Secured Creditors" means the Security Trustee (in its own capacity and on behalf of the other Secured Creditors), the Bond Trustee (in its own capacity and on behalf of the Covered Bondholders), the Covered Bondholders, the Receptholders, the Couponholders, the Issuer, the Seller, the Servicer, the Account Bank, the GIC Provider, the Stand-by Account Bank, the Stand-by GIC Provider, the Cash Manager, the Swap Providers, the Corporate Services Provider, the Paying Agents and any other person which becomes a Secured Creditor pursuant to the Deed of Charge,

"Secured Obligations" means any and all monies, obligations and liabilities and all other amounts due, owing, payable or owed by the LLP which the LLP covenants and undertakes in Clause 2 (*Covenant to Pay Secured Obligations and Discharge Secured Obligations*) of the Deed of Charge to pay and discharge and all claims, demands or damages for breach of any such covenant, and references to Secured Obligations includes references to any of them,

"Securities Act" means the United States Securities Act of 1933, as amended,

"Security" means the security granted by the LLP to the Security Trustee under the terms of the Deed of Charge,

"Security Interest" or "Encumbrance" means any mortgage, sub mortgage, charge, sub charge, pledge, lien (other than a lien arising in the ordinary course of business or by operation of law) or other encumbrance or security interest howsoever created or arising,

"Security Trustee" means HSBC Corporate Trustee Company (UK) Limited, in its capacity as security trustee under the Trust Deed and the Deed of Charge together with any successor security trustee or additional security trustees appointed from time to time thereunder,

"Selected Loans" means Loans and their Related Security to be sold by the LLP pursuant to the terms of the LLP Deed having in aggregate the Required True Balance Amount,

"Seller" means Coventry Building Society and any New Seller,

"Seller Bank Accounts" means the bank account(s) of the Seller into which monies may be paid from time to time pursuant to the terms of the LLP Deed, details of which will be given to the LLP,

"Seller Power of Attorney" means a power of attorney to be provided by a Seller substantially in the form set out in Schedule 3 (*Seller Power of Attorney*) to the Mortgage Sale Agreement,

"Seller's Policy" means the originating, underwriting, administration, arrears and enforcement policy applied by the Seller from time to time to loans and the security for their repayment which are beneficially owned solely by a Seller or, at any time when the Servicer is not also the Seller, the policies and procedures from time to time which would be adopted by a Reasonable Prudent Mortgage Lender and as are Schedule 11 to the Mortgage Sale Agreement (*Seller's Policies*),

"Series" means a Tranche of Covered Bonds together with any further Tranche or Tranches of Covered Bonds which are (a) expressed to be consolidated and form a single series, and (b) identical in all respects (including as to listing) except for their respective Issue Dates, Interest Commencement Dates and/or Issue Prices and the expressions **"Covered Bonds of the relevant Series"**, **"holders of Covered Bonds of the relevant Series"** and related expressions shall be construed accordingly,

"Series 1 Covered Bonds" means the Series of Covered Bonds issued on the First Issue Date

"Servicer" means the Society in its capacity as servicer under the Servicing Agreement or any successor servicer appointed from time to time,

"Servicing Agreement" means the servicing agreement entered into on the Programme Date between the LLP, the Servicer, the Seller and the Security Trustee,

"Share Trust Deed" means the share trust deed entered into by the Share Trustee,

"Share Trustee" means SFM Corporate Services Limited having its registered office at 35 Great St Helen's, London EC3A 6AP,

"Society" means Coventry Building Society,

"Special Conditions" means, in relation to a Mortgage Loan, the additional terms and conditions applicable to specific mortgage products,

"Standard Documentation" means the standard documentation, annexed to the relevant exhibit of the Mortgage Sale Agreement or any update or replacement therefor as the Seller may from time to time introduce acting in accordance with the standards of a Reasonable, Prudent Mortgage Lender,

"Standard Variable Rate" means the Society's standard variable rate,

"Stand-by Account" means the Stand-by GIC Account and/or the Stand-by Transaction Account,

"Stand-by Account Bank" means HSBC Bank plc in its capacity as stand-by account bank under the Stand-by Bank Account Agreement,

"Stand-by Bank Account Agreement" means the stand-by bank account agreement entered into between, *inter alios*, the Stand-by Account Bank, the Security Trustee and the Issuer,

"Stand-by GIC Account" means the account in the name of the LLP to be opened and maintained with the Stand-by Account Bank in accordance with and subject to the terms of the Stand-by Guaranteed Investment Contract, the Stand-by Bank Account Agreement and the Deed of Charge or such additional or replacement account as may be for the time being in place with the prior consent of the Security Trustee and designated as such,

"Stand-by GIC Provider" means HSBC Bank plc in its capacity as stand-by account bank under the Stand-by Bank Account Agreement,

"Stand-by Guaranteed Investment Contract" means the stand-by guaranteed investment contract entered into between, *inter alios*, the Stand-by Account Bank, the Security Trustee and the Issuer,

"Stand-by Transaction Account" means the account in the name of the LLP to be opened and maintained with the Stand-by Account Bank in accordance with and subject to the terms of the Stand-by Bank Account Agreement and the Deed of Charge or such other account as may for the time being be in place with the prior consent of the Security Trustee and designated as such,

"Stand-by Transaction Account Provider" means HSBC Bank plc or such other person for the time being acting as a provider of a Stand-by Transaction Account for the LLP in accordance with the Stand-by Bank Account Agreement,

"Sterling LIBOR" means

- (a) the applicable Screen Rate, or
- (b) if no Screen Rate is available on such date, the arithmetic mean (rounded upward to four decimal places) of the rates, as supplied to the Cash Manager at its request, quoted by the Reference Banks to prime banks in the London interbank market at 11 00 a.m. London time, on such date, the Cash Manager will request the principal London office of each of the Reference Banks to provide a quotation of its rate. If at least two quotations are provided, the rate will be the arithmetic mean of the quotations. If fewer than two quotations are provided as requested, the rate will be the arithmetic mean of the rates quoted by major banks in London, selected by the Cash Manager, at approximately 11 00 a.m., London time, on that date for loans in Sterling to leading European banks for the relevant term commencing on that date,

"Stock Exchange" means the London Stock Exchange or any other or further stock exchange(s) on which any Covered Bonds may from time to time be listed or admitted to trading and references to the **"relevant Stock Exchange"** shall, in relation to any Covered Bonds, be references to the Stock Exchange on which such Covered Bonds are, from time to time, or are intended to be, listed or admitted to trading,

"Subscription Agreement" means an agreement supplemental to the Programme Agreement (by whatever name called) in or substantially in the form set out in Schedule 8 (*Form of Subscription Agreement*) to the Programme Agreement or in such other form as may be agreed between the Issuer, the LLP and the Lead Manager or one or more Dealers (as the case may be),

"Substitution Assets" means each of

- (a) Sterling gilt-edged securities,
- (b) Sterling demand or time deposits, certificates of deposit, long-term debt obligations and short-term debt obligations (including commercial paper) provided that in all cases such investments have a remaining period to maturity of one year or less and the short-term unsecured, unguaranteed and unsubordinated debt obligations or, as applicable, the long-term unsecured, unguaranteed and unsubordinated debt obligations of the issuing or guaranteeing entity or the entity with which the demand or time deposits are made (being an authorised person under the FSMA) are rated P-1/Aa3 by Moody's and F1+ by Fitch or their equivalents by three other internationally recognised rating agencies,
- (c) Sterling denominated government and public securities, as defined from time to time by the FSA, provided that such investments have a remaining period to maturity of one year or less and which are rated at least Aaa by Moody's and F1+ by Fitch or their equivalents by three other internationally recognised rating agencies, and
- (d) Sterling denominated residential mortgage backed securities provided that such investments have a remaining period to maturity of one year or less, are actively traded in a continuous, liquid market on a recognised stock exchange, are held widely across the financial system, are available in an adequate supply and which are rated at least Aaa by Moody's and F1+ by Fitch or their equivalents by three other internationally recognised rating agencies,

"Swap Agreements" means the Interest Rate Swap Agreement(s) and the Covered Bond Swap Agreement(s),

"Swap Providers" means the Covered Bond Swap Providers and the Interest Swap Provider, and each a **"Swap Provider"**,

"Swaps" means the Covered Bond Swaps together with the Interest Rate Swap,

"Talon" means the talons (if any) appertaining to, and exchangeable in accordance with the provisions therein contained for further Coupons appertaining to, the Definitive Covered Bonds (other than Zero Coupon Covered Bonds), such talons being in the form or substantially in the form set out in Part 6 of Schedule 2 to the Trust Deed or in such other form as may be agreed between the Issuer, the Principal Paying Agent, the Bond Trustee and the relevant Dealer(s) and includes any replacements for Talons issued pursuant to Condition 10 (*Replacement of Covered Bonds, Receipts, Coupons and Talons*) of the Conditions,

"Talonholders" means the several persons who are for the time being holders of the Talons,

"Temporary Global Covered Bond" means a temporary global covered bond in the form or substantially in the form set out in Part 1 of Schedule 2 to the Trust Deed together with the copy of the applicable Final Terms annexed thereto with such modifications (if any) as may be agreed between the Issuer, the Principal Paying Agent, the Bond Trustee and the relevant Dealer(s), comprising some or all of the Covered Bonds of the same Series, issued by the Issuer pursuant to the Programme Agreement or any other agreement between the Issuer and the relevant Dealer(s) relating to the Programme, the Agency Agreement and the trust presents,

"Term Advance" means each term advance made by the Issuer to the LLP from the proceeds of Covered Bonds pursuant to the Intercompany Loan Agreement,

"Title Deeds" means, in relation to each Loan and its Related Security and the Property relating thereto, all conveyancing deeds and documents which make up the title to the Property and the security for the Loan and all searches and enquiries undertaken in connection with the grant by the Borrower of the related Mortgage,

"Tranche" means Covered Bonds which are identical in all respects (including as to listing),

"Transaction Account" means the account designated as such in the name of the LLP held with the Account Bank and maintained subject to the terms of the Bank Account Agreement and the Deed of Charge or such other account as may for the time being be in place with the prior consent of the Security Trustee and designated as such,

"Transaction Documents" means each of

- (a) Mortgage Sale Agreement,
- (b) Servicing Agreement,
- (c) Asset Monitor Agreement,
- (d) Intercompany Loan Agreement,
- (e) LLP Deed,
- (f) Cash Management Agreement,
- (g) the Interest Rate Swap Agreement,
- (h) each Covered Bond Swap Agreement,
- (i) Guaranteed Investment Contract,
- (j) Stand-by Guaranteed Investment Contract,
- (k) Bank Account Agreement,
- (l) Stand-by Bank Account Agreement,
- (m) Corporate Services Agreement,
- (n) Deed of Charge (and any documents entered into pursuant to the Deed of Charge),
- (o) Trust Deed,
- (p) Agency Agreement,
- (q) Programme Agreement,
- (r) each set of Final Terms (as applicable in the case of each issue of listed Covered Bonds subscribed pursuant to a subscription agreement),
- (s) each Subscription Agreement (as applicable in the case of each issue of listed Covered Bonds subscribed pursuant to a subscription agreement),
- (t) Master Definitions and Construction Agreement,
- (u) each document, agreement or indenture ancillary or supplemental to any of the documents specified in paragraphs (a) to (u) (inclusive) above, and

any other agreement or document from time to time designated as such by the Issuer, the LLP and the Bond Trustee and/or the Security Trustee,

"Transaction Party" means any person who is a party to a Transaction Document and **"Transaction Parties"** means some or all of them,

"Transfer Agent" means, in relation to all or any Series of the Covered Bonds, HSBC Bank plc at its office at 8 Canada Square, London E14 5HQ or, if applicable, any Successor transfer agent in relation to all or any Series of the Covered Bonds,

"Trust Deed" means the Trust Deed dated 17 July 2008 (as further amended, restated or varied from time to time) between the Issuer, the LLP, the Security Trustee and the Bond Trustee under which Covered Bonds will, on issue, be constituted and which sets out the terms and conditions on which the Bond Trustee has agreed to act as bond trustee and includes any trust deed or other document executed by the Issuer, the LLP, the Security Trustee and the Bond Trustee in accordance with the provisions of the Trust Deed and expressed to be supplemental to the Trust Deed,

"Trustee Acts" means the Trustee Act 1925 and the Trustee Act 2000 of England and Wales,

"Unlegended Covered Bonds" means those of the Registered Covered Bonds which are not Legended Covered Bonds,

"Unregistered Land" means land in England and Wales, title to which is not, and is not required to be, registered at the Land Registry,

"UK Listing Authority" means the UK Listing Authority which is the Financial Services Authority in its capacity as the competent authority for the purposes of Part VI of the FSMA,

"Valuation Report" means the valuation report or reports for mortgage purposes, in the form of one of the pro-forma contained in the Standard Documentation, obtained by the Seller from a Valuer in respect of each Property or a valuation report in respect of a valuation made using a methodology which would be acceptable to a Reasonable, Prudent Mortgage Lender and which has been approved by the relevant officers or the Seller,

"Valuer" means an Associate or Fellow of the Royal Institution of Chartered Surveyors or the Incorporated Society of Valuers and Auctioneers who was at the relevant times either a member of a firm which was on the list of Valuers approved by or on behalf of the Seller from time to time or an Associate or Fellow of the Royal Institute of Chartered Surveyors or the Incorporated Society of Valuers and Auctioneers employed in-house by the Seller in respect of the valuation of a Property,

"Variable Mortgage Rate" means the rate of interest which determines the amount of interest payable each month on a Variable Rate Loan,

"Variable Rate Loans" means those Loans to the extent that and for such period that their Mortgage Conditions provide that they are subject to a rate of interest which may at any time be varied in accordance with the relevant Mortgage Conditions (and shall, for the avoidance of doubt, exclude Loans during the period that they are Fixed Rate Loans, Capped Rate Loans or Tracker Rate Loans), and

"Zero Coupon Covered Bonds" means Covered Bonds which will be offered and sold at a discount to their nominal amount and which will not bear interest



CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

**Pursuant to section 401(2) of the Companies Act 1985 as applied to
Limited Liability Partnerships pursuant to Paragraph 4 and
Schedule 2 of the Limited Liability Partnerships Regulations 2000.**

LLP NO. OC337802

CHARGE NO. 1

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES
HEREBY CERTIFIES THAT A DEED OF CHARGE DATED THE 17
JULY 2008 AND CREATED BY COVENTRY BUILDING SOCIETY
COVERED BONDS LLP FOR SECURING ALL MONIES DUE OR
TO BECOME DUE FROM THE LIMITED LIABILITY
PARTNERSHIP TO HSBC CORPORATE TRUSTEE COMPANY
(UK) LIMITED (THE SECURITY TRUSTEE) (WHETHER FOR ITS
OWN ACCOUNT OR AS TRUSTEE FOR THE SECURED
CREDITORS) OR ANY OF THE OTHER SECURED CREDITORS ON
ANY ACCOUNT WHATSOEVER UNDER THE TERMS OF THE
AFOREMENTIONED INSTRUMENT CREATING OR EVIDENCING
THE CHARGE WAS REGISTERED PURSUANT TO CHAPTER 1
PART XII OF THE COMPANIES ACT 1985 AS APPLIED TO
LIMITED LIABILITY PARTNERSHIPS PURSUANT TO
PARAGRAPH 4 AND SCHEDULE 2 OF THE LIMITED LIABILITY
PARTNERSHIPS REGULATIONS 2000 ON THE 31 JULY 2008

GIVEN AT COMPANIES HOUSE, CARDIFF THE 4 AUGUST 2008



Companies House
— for the record —



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES