

FINAL TERMS

9 February 2012

Coventry Building Society

Issue of £500,000,000 Series 5 Floating Rate Covered Bonds due 2015 irrevocably and unconditionally guaranteed as to payment of principal and interest by Coventry Building Society Covered Bonds LLP under the €7 billion Global Covered Bond Programme

The Programme has been registered and notice of these Covered Bonds will be made under the Regulated Covered Bonds Regulations 2008 (SI 2008/346).

The Offering Circular referred to below (as completed by these Final Terms) has been prepared on the basis that any offer of Covered Bonds in any Member State of the European Economic Area which has implemented the Prospectus Directive (2003/71/EC) (each, a "**Relevant Member State**") will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish an offering circular for offers of the Covered Bonds. Accordingly any person making or intending to make an offer in that Relevant Member State of the Covered Bonds may only do so in circumstances in which no obligation arises for the Issuer or any Dealer to publish an offering circular pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer. Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Covered Bonds in any other circumstances.

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Offering Circular dated 11 April 2011 and the supplemental Offering Circular dated 22 September 2011 which constitutes a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the "**Prospectus Directive**"). This document constitutes the Final Terms of the Covered Bonds described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Offering Circular. Full information on the Issuer and the offer of the Covered Bonds is only available on the basis of the combination of these Final Terms and the Offering Circular. Copies of the Offering Circular are available free of charge to the public at the registered office of the Issuer and from the specified office of the Principal Paying Agent.

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| 1. | (i) | Issuer: | Coventry Building Society |
| | (ii) | Guarantor: | Coventry Building Society Covered Bonds LLP |
| 2. | (i) | Series Number: | 5 |
| | (ii) | Tranche Number: | 1 |
| 3. | | Specified Currency or Currencies: | Sterling (GBP) |
| 4. | | Nominal Amount of Covered Bonds | GBP500,000,000 |

to be issued:

5. Aggregate Nominal Amount of the Covered Bonds Admitted to trading:
 - (i) Series: GBP500,000,000
 - (ii) Tranche: GBP500,000,000
6. Issue Price: 99.857 per cent.
7. (i) Specified Denominations: GBP 100,000 (and integral multiples of £1,000 in excess thereof up to and including £199,000). No Covered Bond in definitive form will be issued with a denomination above £199,000.
 - (ii) Calculation Amount: GBP 1,000
8. (i) Issue Date: 10 February 2012
 - (ii) Interest Commencement Date: Issue Date
9. (i) Final Maturity Date: 10 February 2015
 - (ii) Extended Due for Payment Date of Guaranteed Amounts corresponding to the Final Redemption Amount under the Covered Bond Guarantee: 10 February 2016
10. Interest Basis: From and including the Issue Date to but excluding the Final Maturity Date: 3 Month Sterling LIBOR + 1.60 per cent. per annum Floating Rate payable quarterly in arrear

From and including the Final Maturity Date to but excluding the Extended Due for Payment Date: 1 Month Sterling LIBOR + 1.65 per cent. per annum Floating Rate payable monthly in arrear

(further particulars specified below)
11. Redemption/Payment Basis: Redemption at par
12. Change of Interest Basis or Redemption/Payment Basis: Applicable (see item 10 above)
13. Call Options: Not Applicable

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| 14. | (i) | Status of the Covered Bonds: | Senior |
| | (ii) | Status of the Guarantee: | Senior |
| | (iii) | Date Board approval for issuance of Covered Bonds obtained: | 29 January 2012 |
| 15. | Listing: | | London |
| 16. | Method of distribution: | | Syndicated |

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

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| 17. | Fixed Rate Covered Bond Provisions | Not Applicable |
| 18. | Floating Rate Covered Bond Provisions | Applicable |
| | (i) | Specified Interest Payment Date(s): |
| | | 10th day of February, May, August and November in each year commencing 10th May 2012 up to and including the Final Maturity Date |
| | | 10th day of each calendar month commencing 10th March 2015 up to and including the Extended Due for Payment Date |
| | (ii) | Business Day Convention: |
| | | Modified Following Business Day Convention |
| | (iii) | Business Centre(s): |
| | | London |
| | (iv) | Manner in which the Rate of Interest and Interest Amount is to be determined: |
| | | Screen Rate Determination |
| | (v) | Party responsible for calculating the Rate of Interest and Interest Amount (if not the Principal Paying Agent): |
| | | Not Applicable |
| | (vi) | Screen Rate Determination: |
| | – | Reference Rate: |
| | | From and including the Issue Date to but excluding the Final Maturity Date 3 month Sterling LIBOR |
| | | From and including the Final Maturity Date to but excluding the Extended Due for Payment Date 1 Month Sterling LIBOR |

	– Interest Determination Date(s):	First day of each Interest Period
	– Relevant Screen Page:	Reuters Screen LIBOR01 (or any replacement thereto)
(vii)	ISDA Determination:	Not Applicable
(viii)	Margin(s):	From and including the Issue Date to but excluding the Final Maturity Date + 1.60 per cent. From and including the Final Maturity Date to but excluding the Extended Due for Payment Date + 1.65 per cent.
(ix)	Minimum Rate of Interest:	Not Applicable
(x)	Maximum Rate of Interest:	Not Applicable
(xi)	Day Count Fraction:	Actual/365 (Fixed)
(xii)	Fall back provisions, rounding provisions and any other terms relating to the method of calculating interest on Floating Rate Covered Bonds, if different from those set out in the Conditions:	Not Applicable
19.	Zero Coupon Covered Bond Provisions	Not Applicable
20.	Index Linked Interest Covered Bond/other variable-linked interest Covered Bond Provisions	Not Applicable
21.	Dual Currency Covered Bond Provisions	Not Applicable

PROVISIONS RELATING TO REDEMPTION BY THE ISSUER

22.	Issuer Call:	Not Applicable
23.	Covered Bondholder Put Option:	Not Applicable
24.	Final Redemption Amount:	Nominal Amount
25.	Early Redemption Amount payable on redemption for taxation reasons, on acceleration following an Issuer Event of Default or an LLP Event of	Not Applicable

Default and/or the method of calculating the same (if required or if different from that set out in Condition 6(f))

GENERAL PROVISIONS APPLICABLE TO THE COVERED BONDS

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| 26. | New Global Covered Bond: | Yes |
| 27. | Form of Covered Bonds: | Bearer Covered Bonds

Temporary Global Covered Bond exchangeable for a Permanent Global Covered Bond which is exchangeable for Bearer Definitive Covered Bonds in definitive form only after an Exchange Event |
| 28. | Additional Financial Centre(s) or other special provisions relating to Payment Dates: | Not Applicable |
| 29. | Talons for future Coupons or Receipts to be attached to Bearer Definitive Covered Bonds (and dates on which such Talons mature): | No |
| 30. | Details relating to Partly Paid Covered Bonds: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Covered Bonds and interest due on late payment: | Not Applicable |
| 31. | Details relating to Instalment Covered Bonds: | |
| | (i) Instalment Amount(s): | Not Applicable |
| | (ii) Instalment Date(s): | Not Applicable |
| 32. | Redenomination: | Not Applicable |
| 33. | Other terms or special conditions: | Not Applicable |

DISTRIBUTION

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| 34. | If syndicated, names of Managers: | Barclays Bank PLC, BNP Paribas, HSBC Bank plc, Lloyds TSB Bank plc |
| 35. | If non-syndicated, name of relevant | Not Applicable |

Dealer(s):

36. U.S. selling restrictions: Reg S, TEFRA D
37. Additional selling restrictions: (insert here any other relevant codes such as CUSIP and CINS codes) The Covered Bonds are not and may not be offered in the Netherlands other than to legal entities which are qualified investors as defined in the Prospectus Directive and in Article 1:1 of the Dutch Financial Supervision Act (*Wet op het financieel toezicht*) and regulations promulgated pursuant thereto

LISTING APPLICATION

These Final Terms comprise the final terms required to list and have admitted to trading the issue of Covered Bonds described herein pursuant to the €7 billion Global Covered Bond Programme of Coventry Building Society on the regulated market of the London Stock Exchange.

RESPONSIBILITY

The Issuer and the Guarantor accept responsibility for the information contained in these Final Terms. Each of the Issuer and the Guarantor confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by the Building Societies Association, no facts have been omitted which would render the reproduced inaccurate or misleading.

PART B – OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING

- (i) Admission to Trading Application has been made by the Issuer (or on its behalf) for the Covered Bonds to be admitted to trading on the Official List of the UK Listing Authority) with effect from 10 February 2012.
- (ii) Estimate of total expenses related to admission to trading: GBP 3,650

2. RATINGS

Ratings: The Covered Bonds to be issued are expected to be rated:
Moody's: Aaa
Fitch: AAA

Fitch Rating Ltd. and Moody's Investors Service Limited are established in the European Union and registered under Regulation (EC) No. 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies.

3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

Save as discussed in "*Subscription and Sale and Transfer and Selling Restrictions*", so far as the Issuer and the Guarantor are aware, no person involved in the issue of the Covered Bonds has an interest material to the offer.

4. YIELD (*Fixed Rate Covered Bonds only*)

Indication of yield: Not Applicable

5. PERFORMANCE OF INDEX/FORMULA/OTHER VARIABLE, EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS AND OTHER INFORMATION CONCERNING THE UNDERLYING: (*Index-Linked or other variable-linked Covered Bonds only*)

Not Applicable

6. **PERFORMANCE OF RATES OF EXCHANGE: (Dual Currency Covered Bonds only)**

Not Applicable

7. **OPERATIONAL INFORMATION**

- (i) ISIN Code: XS0744752568
- (ii) Common Code: 074475256
- (iii) CUSIP: Not Applicable
- (iv) Any clearing system(s) other than Euroclear or Clearstream, Luxembourg and the relevant identification number(s): Not Applicable
- (v) Delivery: Delivery against payment
- (vi) Names and addresses of additional Paying Agent(s) (if any): Not Applicable
- (vii) Intended to be held in a manner which would allow Eurosystem eligibility: No

Signed on behalf of the Issuer:

By: X

Duly authorised

Signed on behalf of the Guarantor:

By: X

Duly authorised