

**Penarth Master Issuer plc —Public Surveillance Report**  
**Combined Series Report For IPD Ending: 20 June 2011**

**Key Parties**

Receivables Trustee	Penarth Receivables Trustee Ltd
Depositors	Penarth Funding 1 Ltd
Transferor, Servicer and Cash Manager	Bank of Scotland plc
Issuer	Penarth Master Issuer plc
Issuing Entity	Penarth Funding 1 Ltd
Issuer Corporate Servicers Provider	Structured Finance Management Ltd
Security Trustee and Note Trustee	Deutsche Bank Trust Company Americas

**Notes Outstanding**

Note	Amount	Original Rating Moody's/S&P/Fitch	Scheduled Redemption Date	Reference Rate	Margin
2010 A1	£1,000,000,000	Aaa/AAA/AAA	18 May 2013	0.68400%	0.85%
2010 A2	£500,000,000	Aaa/AAA/AAA	18 May 2015	0.62438%	0.85%
2010 A3	€250,000,000	Aaa/AAA/AAA	18 August 2013	1.24200%	0.78%
2010 B1	£200,000,000	Aa3/A/A+	18 May 2015	0.62438%	1.00%
2010 C1	£228,000,000	Baa1/BBB+	18 May 2017	0.62438%	1.50%
2010 D1	£240,000,000	Not rated	18 May 2017	0.62438%	1.60%
2010-2 A1	£500,000,000	Aaa/AAA/AAA	18 January 2014	0.62438%	0.95%
2010-2 A2	\$750,000,000	Aaa/AAA/AAA	18 December 2012	0.19700%	0.75%
2010-2 A3	£300,000,000	Aaa/AAA/AAA	18 December 2014	0.62438%	1.05%
2010-2 B1	£330,000,000	Aa3/A/A+	18 February 2015	0.62438%	1.25%
2010-2 C1	£175,000,000	Baa1/BBB+	18 February 2015	0.62438%	1.50%
2010-2 D1	£185,000,000	Not rated	18 February 2015	0.62438%	1.60%

**A. Principal and Interest amounts for period**

Class and Loan Note	To SWAP provider		To Investor	
	Principal	Interest	Principal	Interest
Class A: Series 2010-1 A1	£0.00	£0.00	£0.00	£1,386,901.62
Class A: Series 2010-1 A2	£0.00	£0.00	£0.00	£666,500.55
Class A: Series 2010-1 A3	£0.00	£326,798.81	£0.00	€ 463,375.00
Class A: Series 2010-2 A1	£0.00	£0.00	£0.00	£711,706.03
Class A: Series 2010-2 A2	£0.00	£738,508.41	£0.00	\$651,062.50
Class A: Series 2010-2 A3	£0.00	£0.00	£0.00	£454,146.90
Class B: Series 2010-1 B1	£0.00	£0.00	£0.00	£293,723.51
Class B: Series 2010-2 B1	£0.00	£0.00	£0.00	£559,232.83
Class C: Series 2010-1 C1	£0.00	£0.00	£0.00	£437,913.29
Class C: Series 2010-2 C1	£0.00	£0.00	£0.00	£336,117.66
Class D: Series 2010-1 D1	£0.00	£0.00	£0.00	£482,659.99
Class D: Series 2010-2 D1	£0.00	£0.00	£0.00	£372,050.41

**B. Trust Level Data**

BOP Principal Receivables	£6,913,157,904.69
EOP Principal Receivables	£6,832,360,819.09
Acquired Interchange Amount	£9,766,158.34
Delinquent Aggregate Account Principal Balance	
30 - 59 days delinquent	£68,909,050.49
60 - 89 days delinquent	£56,694,754.43
90 - 119 days delinquent	£50,694,537.95
120-149 days delinquent	£39,723,689.52
150 + days delinquent	£38,625,374.41
Non-Delinquent	£6,577,713,412.29
Delinquent Principal Receivables as % of EOP Principal Receivables	
30 - 59 days delinquent	1.01%
60 - 89 days delinquent	0.83%
90 - 119 days delinquent	0.74%
120-149 days delinquent	0.58%
150 + days delinquent	0.57%
Principal Payment Rate	18.56%
Monthly Payment Rate*	19.18%

**C. Portfolio Yield and Expense Rates**

Initial Principal Amount	£4,347,090,000.00
Investor Interest	62.88%
Transferor Interest	37.12%
	<u>100.00%</u>
	<b>Total</b>
Gross Yield Rate	21.29%
Less:	
Charge Off Rate	6.85%
<b>Portfolio Yield</b>	<b>14.45%</b>
Less:	
Expense Rate	2.69%
<b>Excess Available Funds Percentage</b>	<b>11.75%</b>
- 1 Month Previous	9.30%
- 2 Month Previous	12.55%
- 3 Month Average	11.20%

\* Includes Principal and Finance Charge Collections in the numerator and Principal and Finance Charge Receivables in the denominator.

^ The Payment Rate numerator excludes non-cash entries.