

As of 1 January 2021, Lloyds Bank PLC and Bank of Scotland PLC, each in their capacity as originator (being UK entities), and Permanent Master Issuer plc, as the SSPE (being a UK entity), ceased to meet the requirement set out in Article 18 of Regulation (EU) 2017/2402 (the "EU Securitisation Regulation") that the originator and SSPE involved in a securitisation considered STS (for purposes of the EU Securitisation Regulation) be established in the Union because: (i) the transition period provided for in Article 126 of the agreement on the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community ended on 31 December 2020; (ii) as a result the UK is no longer a Member State of the Union; and (iii) consequently, the originators and the SSPE are no longer established in the Union. As of 1 January 2021, each of Lloyds Bank PLC and Bank of Scotland PLC the requirement set out in Article 18 of the EU Securitisation Regulation as it forms part of the domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (as amended by the European Union (Withdrawal Agreement) Act 2020) and as amended by the Securitisation (Amendment) (EU Exit) Regulations 2019 (the "UK Securitisation Regulation") that the originator involved in a securitisation considered STS (for purposes of the UK Securitisation Regulation) be established in the United Kingdom. On the 22 December 2020, Bank of Scotland PLC submitted notifications to the FCA in accordance with Article 27 of the UK Securitisation Regulation confirming that the requirements of Articles 19 to 22 of the UK Securitisation Regulation for designation as an STS securitisation have been satisfied with respect to the notes. The FCA's STS Notification Register can be accessed via this link: Securitisations – STS Notifications (fca.org.uk)

Reporting Date 19 Jun 2024
Reporting Period 1 May 2024 - 31 May 2024
Next Funding 2 Interest Payment Date 15 Jul 2024
Funding 2 Interest Period 15 Apr 2024 - 15 Jul 2024

Contact Details

| Name | e-mail | Mailing Address |
|--------------|--|--|
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Investor reports, prospectus and access to key transaction documents and loan level data may be obtained at

<http://www.lloydsbankinggroup.com/investors/fixed-income-investors/securitisation/>

Mortgages Trust Summary

| | | | | |
|--|---|------------------------|---------------------------------------|--------|
| Outstanding principal balance start period | £ | 9,992,782,134.48 | Number of accounts at start of period | 89,914 |
| Outstanding principal balance end period | £ | 9,879,314,346.68 | Number of accounts at end of period | 88,894 |
| Funding 2 Issuer Notes outstanding (GBP) | £ | 8,200,000,000.00 | | |
| plus Funding 2 Z Loans outstanding | £ | 775,000,000.00 | | |
| less Cash Accumulation Ledger balance | £ | - | | |
| less Funding 2 Principal Ledger balance | £ | 163,806,972.85 | | |
| less Principal Deficiency Ledger balance | £ | 8,478.89 | | |
| Funding 2 Share | £ | 8,811,184,648.26 | | |
| Funding 2 Share % | | 89.18823% | | |
| Seller Share | £ | 1,068,129,698.42 | | |
| Seller Share % | | 10.81177% | | |
| Minimum Seller Share | £ | 493,965,717.33 | | |
| Minimum Seller Share % | | 5.0000% | | |
| Highest Minimum Seller Share sub-component | | i(b) EU Risk Retention | | |

Other Mortgages Trust assets: £100 cash at bank

Mortgages Trust Portfolio Details

Arrears & Possessions

| Months in arrears | Aggregate outstanding principal balance | % of Total | Aggregate amount of Arrears | Number of accounts | % of Total |
|---------------------|---|------------|-----------------------------|--------------------|------------|
| Current - < 1 month | £ 9,798,931,431.91 | 99.19% | £ 197,324.90 | 87,686 | 98.64% |
| 1 - < 2 months | £ 29,351,557.69 | 0.30% | £ 393,599.13 | 410 | 0.46% |
| 2 - < 3 months | £ 13,832,453.48 | 0.14% | £ 371,317.18 | 210 | 0.24% |
| 3 - < 6 months | £ 18,191,053.62 | 0.18% | £ 816,442.08 | 269 | 0.30% |
| 6 - < 9 months | £ 5,740,629.21 | 0.06% | £ 447,815.43 | 89 | 0.10% |
| 9 - < 12 months | £ 4,819,704.55 | 0.05% | £ 534,081.39 | 76 | 0.09% |
| >= 12 months | £ 8,447,516.22 | 0.09% | £ 2,039,899.22 | 154 | 0.17% |
| Total | £ 9,879,314,346.68 | 100.00% | £ 4,800,479.33 | 88,894 | 100.00% |

| Properties in possession | Balance | % of Total | Number of accounts | % of Total | Cumulative Numbers |
|---------------------------|--------------|------------|--------------------|------------|--------------------|
| Brought forward | £ 629,245.78 | 0.01% | 8 | 0.01% | |
| Repossessed | £ - | 0.00% | - | 0.00% | 6,575 |
| Sold and loss incurred | | | - | 0.00% | 4,301 |
| Sold and no loss incurred | | | 2 | 0.00% | 2,027 |
| Relinquished to borrower | | | - | 0.00% | 83 |
| Loan repurchased | | | - | 0.00% | 158 |
| Carried forward | £ 515,899.71 | 0.01% | 6 | 0.01% | |

Average days from possession to sale (this period)

127

Asset Yield

| Yield | % |
|-------------------------------------|-------|
| Halifax Variable Rate 1 | 8.74% |
| Halifax Homeowner Variable Rate | 8.64% |
| Pre-Funding Swap yield | 3.98% |
| Post-Funding Swap yield | 1.28% |
| Minimum Trust Property Yield Margin | 1.20% |

Loan Repurchases

| Reason | Principal proceeds | Number of accounts |
|---------------------------------------|--------------------|--------------------|
| Further Advance and/or Product Switch | £ 19,053,427.61 | 96 |
| Arrears >3 months | £ - | - |
| Breach of Loan Warranty | £ 689,334.95 | 141 |
| Total | £ 19,742,762.56 | 237 |

Loans Added

| Balance of accounts | Number of accounts |
|---------------------|--------------------|
| - | - |

Principal Payment Rate

| Month | Monthly PPR | 1-month annualised | 3-month annualised | 12-month annualised |
|----------|-------------|--------------------|--------------------|---------------------|
| May 2024 | 1.14% | 12.84% | 16.26% | 14.82% |
| Apr 2024 | 2.24% | 23.80% | 16.72% | 14.78% |
| Mar 2024 | 1.07% | 12.13% | 12.74% | 21.04% |

| Range of LTV ratios at origination | Aggregate outstanding principal balance | % of Total | Number of accounts | % of Total |
|------------------------------------|---|------------|--------------------|------------|
| 0% - <25% | £ 212,898,035.86 | 2.15% | 4,595 | 5.17% |
| 25% - <50% | £ 1,073,800,179.47 | 10.87% | 14,604 | 16.43% |
| 50% - <75% | £ 3,239,592,584.03 | 32.79% | 29,633 | 33.34% |
| 75% - <80% | £ 1,063,253,468.89 | 10.76% | 7,824 | 8.80% |
| 80% - <85% | £ 1,474,731,463.18 | 14.93% | 9,029 | 10.16% |
| 85% - <90% | £ 1,608,715,637.98 | 16.28% | 10,474 | 11.78% |
| 90% - <95% | £ 1,043,163,729.46 | 10.56% | 8,386 | 9.43% |
| 95% - <100% | £ 163,159,247.81 | 1.65% | 4,349 | 4.89% |
| >=100% | £ - | - | - | - |
| Total | £ 9,879,314,346.68 | 100.00% | 88,894 | 100.00% |

| | |
|-------------------------------|--------|
| Maximum Original LTV | 97.00% |
| Minimum Original LTV | 1.62% |
| Weighted average Original LTV | 71.81% |

| Range of LTV ratios at end of reporting period | Aggregate outstanding principal balance | % of Total | Number of accounts | % of Total |
|--|---|------------|--------------------|------------|
| 0% - <25% | £ 1,199,438,832.40 | 12.14% | 37,134 | 41.77% |
| 25% - <50% | £ 2,286,462,328.72 | 23.14% | 21,576 | 24.27% |
| 50% - <75% | £ 4,135,081,532.42 | 41.86% | 21,694 | 24.40% |
| 75% - <80% | £ 787,107,720.92 | 7.97% | 3,223 | 3.63% |
| 80% - <85% | £ 777,203,644.13 | 7.87% | 2,799 | 3.15% |
| 85% - <90% | £ 531,433,333.88 | 5.38% | 1,924 | 2.16% |
| 90% - <95% | £ 161,461,278.50 | 1.63% | 538 | 0.61% |
| 95% - <100% | £ 1,125,675.71 | 0.01% | 6 | 0.01% |
| >=100% | £ - | 0.00% | - | 0.00% |
| Total | £ 9,879,314,346.68 | 100.00% | 88,894 | 100.00% |

| | |
|------------------------------|--------|
| Maximum Current LTV | 97.51% |
| Minimum Current LTV | -0.43% |
| Weighted average Current LTV | 56.21% |

| Range of outstanding balances at end of period | Aggregate outstanding principal balance | % of Total | Number of accounts | % of Total |
|--|---|------------|--------------------|------------|
| £0 - <£25,000 | £ 229,473,447.61 | 2.32% | 19,203 | 21.60% |
| £25,000 - <£50,000 | £ 537,479,738.33 | 5.44% | 14,614 | 16.44% |
| £50,000 - <£75,000 | £ 721,949,110.69 | 7.31% | 11,619 | 13.07% |
| £75,000 - <£100,000 | £ 832,871,193.42 | 8.43% | 9,603 | 10.80% |
| £100,000 - <£125,000 | £ 589,899,216.32 | 5.97% | 5,254 | 5.91% |
| £125,000 - <£150,000 | £ 653,394,771.50 | 6.61% | 4,769 | 5.36% |
| £150,000 - <£175,000 | £ 699,430,280.49 | 7.08% | 4,315 | 4.85% |
| £175,000 - <£200,000 | £ 680,695,781.21 | 6.89% | 3,632 | 4.09% |
| £200,000 - <£225,000 | £ 686,421,238.11 | 6.95% | 3,236 | 3.64% |
| £225,000 - <£250,000 | £ 621,449,878.98 | 6.29% | 2,620 | 2.95% |
| £250,000 - <£275,000 | £ 563,556,793.96 | 5.70% | 2,150 | 2.42% |
| £275,000 - <£300,000 | £ 492,412,205.23 | 4.98% | 1,715 | 1.93% |
| £300,000 - <£350,000 | £ 735,676,527.29 | 7.45% | 2,279 | 2.56% |
| £350,000 - <£400,000 | £ 497,502,243.79 | 5.04% | 1,334 | 1.50% |
| £400,000 - <£450,000 | £ 353,535,467.19 | 3.58% | 835 | 0.94% |
| £450,000 - <£500,000 | £ 262,745,616.61 | 2.66% | 556 | 0.63% |
| >=£500,000 | £ 720,820,835.95 | 0.00% | 1,160 | 1.30% |
| Total | £ 9,879,314,346.68 | 92.70% | 88,894 | 100.00% |

| | |
|----------------------------------|----------------|
| Maximum current balance | £ 1,160,928.76 |
| Minimum current balance | -£ 1,160.51 |
| Average current balance | £ 111,135.90 |
| Weighted average current balance | £ 230,943.00 |

| Region | Aggregate outstanding principal balance | % of Total | Number of accounts | % of Total |
|------------------------|---|------------|--------------------|------------|
| Unknown | £ 36,899,493.43 | 0.37% | 166 | 0.19% |
| North East | £ 348,802,626.16 | 3.53% | 5,049 | 5.68% |
| North West | £ 976,820,876.14 | 9.89% | 12,060 | 13.57% |
| Yorkshire & The Humber | £ 757,931,099.94 | 7.67% | 10,631 | 11.96% |
| East Midlands | £ 690,631,114.84 | 6.99% | 7,269 | 8.18% |
| West Midlands | £ 771,070,238.94 | 7.80% | 8,830 | 9.93% |
| East of England | £ 1,247,179,344.03 | 12.62% | 8,138 | 9.15% |
| London | £ 1,630,606,197.38 | 16.51% | 8,333 | 9.37% |
| South East | £ 1,737,628,044.67 | 17.59% | 10,590 | 11.91% |
| South West | £ 815,448,511.36 | 8.25% | 6,389 | 7.19% |
| Wales | £ 365,224,182.87 | 3.70% | 4,411 | 4.96% |
| Scotland | £ 501,072,616.92 | 5.07% | 7,028 | 7.91% |
| Total | £ 9,879,314,346.68 | 100.00% | 88,894 | 100.00% |

| Property type | Aggregate outstanding principal balance | % of Total | Number of accounts | % of Total |
|---------------------|---|------------|--------------------|------------|
| Detached house | £ 2,509,109,701.69 | 25.40% | 14,991 | 16.86% |
| Semi-detached house | £ 3,049,743,533.41 | 30.87% | 29,732 | 33.45% |
| Terraced house | £ 2,708,485,781.76 | 27.42% | 30,415 | 34.21% |
| Flat or maisonette | £ 1,210,797,388.56 | 12.26% | 10,440 | 11.74% |
| Bungalow | £ 401,116,072.81 | 4.06% | 3,313 | 3.73% |
| Unknown | £ 61,868.45 | 0.00% | 3 | 0.00% |
| Total | £ 9,879,314,346.68 | 100.00% | 88,894 | 100.00% |

| Seasoning in months | Aggregate outstanding principal balance | % of Total | Number of accounts | % of Total |
|---------------------|---|------------|--------------------|------------|
| 0 - <24 | £ 3,424,435,065.18 | 34.66% | 16,975 | 19.10% |
| 24 - <36 | £ 2,702,675,822.56 | 27.36% | 16,966 | 19.09% |
| 36 - <48 | £ 429,395,593.24 | 4.35% | 3,097 | 3.48% |
| 48 - <60 | £ 93,068,966.48 | 0.94% | 579 | 0.65% |
| 60 - <72 | £ 2,029,065,296.36 | 20.54% | 15,616 | 17.57% |
| 72 - <84 | £ 25,937,696.13 | 0.26% | 190 | 0.21% |
| 84 - <96 | £ 5,019,904.15 | 0.05% | 30 | 0.03% |
| 96 - <108 | £ 7,577,140.35 | 0.08% | 46 | 0.05% |
| 108 - <120 | £ 3,218,902.20 | 0.03% | 23 | 0.03% |
| ≥120 | £ 1,158,919,960.03 | 11.73% | 35,372 | 39.79% |
| Total | £ 9,879,314,346.68 | 100.00% | 88,894 | 100.00% |

| | |
|----------------------------|--------|
| Maximum seasoning | 338.30 |
| Minimum seasoning | 9.99 |
| Weighted average seasoning | 55.30 |

| Years to maturity | Aggregate outstanding principal balance | % of Total | Number of accounts | % of Total |
|-------------------|---|------------|--------------------|------------|
| < 5 | £ 253,898,208.25 | 2.57% | 16,345 | 18.39% |
| 5 - <10 | £ 865,412,331.98 | 8.76% | 19,047 | 21.43% |
| 10 - <15 | £ 1,149,617,999.13 | 11.64% | 13,789 | 15.51% |
| 15 - <20 | £ 1,385,984,189.58 | 14.03% | 10,046 | 11.30% |
| 20 - <25 | £ 2,011,476,294.01 | 20.36% | 10,967 | 12.34% |
| 25 - <30 | £ 2,186,785,703.33 | 22.13% | 10,298 | 11.58% |
| ≥30 | £ 2,026,139,620.40 | 20.51% | 8,402 | 9.45% |
| Total | £ 9,879,314,346.68 | 100.00% | 88,894 | 100.00% |

| | |
|---------------------------------|-------|
| Maximum remaining term | 39.92 |
| Minimum remaining term | 0.00 |
| Weighted average remaining term | 22.42 |

| Use of proceeds | Aggregate outstanding principal balance | % of Total | Number of accounts | % of Total |
|-----------------|---|------------|--------------------|------------|
| Purchase | £ 7,831,851,795.39 | 79.28% | 65,473 | 73.65% |
| Remortgage | £ 2,047,462,551.29 | 20.72% | 23,421 | 26.35% |
| Total | £ 9,879,314,346.68 | 100.00% | 88,894 | 100.00% |

| Repayment terms | Aggregate outstanding principal balance | % of Total | Number of accounts | % of Total |
|-----------------|---|------------|--------------------|------------|
| Repayment | £ 9,878,807,970.38 | 99.99% | 88,891 | 100.00% |
| Interest Only | £ 506,376.30 | 0.01% | 3 | 0.00% |
| Total | £ 9,879,314,346.68 | 100.00% | 88,894 | 100.00% |

| Payment method | Aggregate outstanding principal balance | % of Total | Number of accounts | % of Total |
|----------------|---|------------|--------------------|------------|
| Direct debit | £ 9,710,788,804.40 | 98.29% | 85,054 | 95.68% |
| Other | £ 168,525,542.28 | 1.71% | 3,840 | 4.32% |
| Total | £ 9,879,314,346.68 | 100.00% | 88,894 | 100.00% |

| Origination channel | Aggregate outstanding principal balance | % of Total | Number of accounts | % of Total |
|----------------------|---|------------|--------------------|------------|
| Direct | £ 2,840,962,372.63 | 28.76% | 32,059 | 36.06% |
| Intermediary / Other | £ 7,038,351,974.05 | 71.24% | 56,835 | 63.94% |
| Total | £ 9,879,314,346.68 | 100.00% | 88,894 | 100.00% |

| Type of loan | Aggregate outstanding principal balance | % of Total | Number of accounts | % of Total |
|--------------------------------|---|------------|--------------------|------------|
| Added variable rate loans | £ 17,382,654.81 | 0.18% | 359 | 0.40% |
| Discounted variable rate loans | £ 7,044,857.36 | 0.07% | 82 | 0.09% |
| Fixed rate loans | £ 9,206,025,356.99 | 93.18% | 66,466 | 74.77% |
| Tracker rate loans | £ 59,014,562.81 | 0.60% | 1,644 | 1.85% |
| Standard variable rate loans | £ 589,846,914.71 | 5.97% | 20,343 | 22.88% |
| Total | £ 9,879,314,346.68 | 100.00% | 88,894 | 100.00% |
| of which Flexible Loans | £ 2,707,788.22 | 0.03% | 94 | 0.11% |

Distribution of fixed rate loans

| Fixed rate % | Aggregate outstanding principal balance | % of Total | Number of accounts | % of Total |
|--------------|---|------------|--------------------|------------|
| 0.00 - 2.99% | £ 3,213,211,011.52 | 34.90% | 21,924 | 32.99% |
| 3.00 - 3.99% | £ 1,430,095,053.07 | 15.53% | 10,543 | 15.86% |
| 4.00 - 4.99% | £ 3,182,892,749.98 | 34.57% | 23,329 | 35.10% |
| 5.00 - 5.99% | £ 1,185,214,580.08 | 12.87% | 8,914 | 13.41% |
| 6.00 - 6.99% | £ 194,611,962.34 | 2.11% | 1,756 | 2.64% |
| 7.00 - 7.99% | £ - | 0.00% | - | 0.00% |
| Total | £ 9,206,025,356.99 | 100.00% | 66,466 | 100.00% |

| Year in which current fixed rate period ends | Aggregate outstanding principal balance | % of Total | Number of accounts | % of Total |
|--|---|------------|--------------------|------------|
| 2024 | £ 870,905,215.72 | 9.46% | 5,880 | 8.85% |
| 2025 | £ 1,792,993,807.21 | 19.48% | 13,098 | 19.71% |
| 2026 | £ 2,079,819,719.85 | 22.59% | 16,990 | 25.56% |
| 2027 | £ 2,547,830,585.52 | 27.68% | 15,181 | 22.84% |
| 2028 | £ 1,914,476,028.69 | 20.80% | 15,317 | 23.04% |
| 2029+ | £ - | 0.00% | - | 0.00% |
| Total | £ 9,206,025,356.99 | 100.00% | 66,466 | 100.00% |

Outstanding Issuance

| Series Name | 2015-1 1A4 | 2016-1 1A2 | 2018-1 1A3 | 2019-1 1A3 |
|---------------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| Issue Date | 20 Oct 2015 | 28 Nov 2016 | 28 Jun 2018 | 10 Oct 2019 |
| Orig Rating (Fitch/Moody's) | AAA(sf)/ Aaa(sf) | AAA(sf)/ Aaa(sf) | AAA(sf)/ Aaa(sf) | AAA(sf)/ Aaa(sf) |
| Curr Rating (Fitch/Moody's) | AAA(sf)/ Aaa(sf) | AAA(sf)/ Aaa(sf) | AAA(sf)/ Aaa(sf) | AAA(sf)/ Aaa(sf) |
| Currency | GBP | GBP | GBP | GBP |
| Issue Size | GBP 1,000,000,000 | GBP 1,750,000,000 | GBP 1,000,000,000 | GBP 500,000,000 |
| Issue Size (GBP equivalent) | GBP 1,000,000,000 | GBP 1,750,000,000 | GBP 1,000,000,000 | GBP 500,000,000 |
| Exchange Rate | - | - | - | - |
| Outstanding Amount ¹ | GBP 1,000,000,000 | GBP 1,750,000,000 | GBP 1,000,000,000 | GBP 500,000,000 |
| Pool Factor ¹ | 1.0 | 1.0 | 1.0 | 1.0 |
| Scheduled Maturity Date | 15 October 2025 | 15 October 2030 | 15 April 2025 | 15 Jul 24 & 15 Oct 24 |
| Final Maturity Date | 15 Jul 2075 | 15 Jul 2075 | 15 Jul 2075 | 15 Jul 2075 |
| Bond Structure | Pass-through | Pass-through | Pass-through | Scheduled Am |
| Placement at Origination | Retained by Originator | Retained by Originator | Retained by Originator | Retained by Originator |
| ISIN | XS1302965998 | XS1515233663 | XS1835962330 | XS2058007514 |
| Stock Exchange Listing | London | London | London | London |
| Reference Rate | SONIA | SONIA | SONIA | SONIA |
| Margin | 0.90% | 0.73% | 0.70% | 0.73% |
| Current Rate | | | | |
| Current Accrual Period | 15 Apr 2024 - 15 Jul 2024 | 15 Apr 2024 - 15 Jul 2024 | 15 Apr 2024 - 15 Jul 2024 | 15 Apr 2024 - 15 Jul 2024 |

Funding 2 Interest Payment Date 15 April 2024

| | | | | |
|--------------------------------|-------------------|-------------------|-------------------|------------------|
| Expected Coupon Amount | GBP 15,052,844.26 | GBP 25,610,920.08 | GBP 14,561,040.98 | GBP 7,317,405.74 |
| Coupon Amount Paid | GBP 15,052,844.26 | GBP 25,610,920.08 | GBP 14,561,040.98 | GBP 7,317,405.74 |
| Interest Shortfall | GBP 0 | GBP 0 | GBP 0 | GBP 0 |
| Cumulative Interest Shortfall | GBP 0 | GBP 0 | GBP 0 | GBP 0 |
| Scheduled Principal Payment | GBP 0 | GBP 0 | GBP 0 | GBP 0 |
| Principal Paid | GBP 0 | GBP 0 | GBP 0 | GBP 0 |
| Principal Shortfall | GBP 0 | GBP 0 | GBP 0 | GBP 0 |
| Cumulative Principal Shortfall | GBP 0 | GBP 0 | GBP 0 | GBP 0 |

| Series Name | 2019-1 1A4 | 2023-1 1A1 | 2023-1 1A2 | 2023-2 1A1 |
|---------------------------------|---------------------------|--|---------------------------|---------------------------|
| Issue Date | 10 Oct 2019 | 24 May 2023 | 24 May 2023 | 19 Jul 2023 |
| Orig Rating (Fitch/Moody's) | AAA(sf)/ Aaa(sf) | AAA(sf)/ Aaa(sf) | AAA(sf)/ Aaa(sf) | AAA(sf)/ Aaa(sf)/ NR |
| Curr Rating (Fitch/Moody's) | AAA(sf)/ Aaa(sf) | AAA(sf)/ Aaa(sf) | AAA(sf)/ Aaa(sf) | AAA(sf)/ Aaa(sf)/ NR |
| Currency | GBP | GBP | GBP | GBP |
| Issue Size | GBP 500,000,000 | GBP 1,000,000,000 | GBP 1,000,000,000 | GBP 750,000,000 |
| Issue Size (GBP equivalent) | GBP 500,000,000 | GBP 1,000,000,000 | GBP 1,000,000,000 | GBP 750,000,000 |
| Exchange Rate | - | - | - | - |
| Outstanding Amount ¹ | GBP 500,000,000 | GBP 1,000,000,000 | GBP 1,000,000,000 | GBP 750,000,000 |
| Pool Factor ¹ | 1.0 | 1.0 | 1.0 | 1.0 |
| Scheduled Maturity Date | 15 October 2024 | 15 Jul 27; 15 Oct 27; 17 Jan 28; 17 Apr 28 | 17 Apr 2028 | 15 Oct 26; 15 Jan 27 |
| Final Maturity Date | 15 Jul 2075 | 15 Jul 2073 | 15 Jul 2075 | 15 Jul 2073 |
| Bond Structure | Pass-through | Scheduled Am | Pass-through | Scheduled Am |
| Placement at Origination | Retained by Originator | Publicly placed | Retained by Originator | Publicly Placed |
| ISIN | XS2058007944 | XS2603277984/XS2603248290 | XS2603279253 | XS2641927228 |
| Stock Exchange Listing | London | London | London | London |
| Reference Rate | SONIA | SONIA | SONIA | SONIA |
| Margin | 0.73% | 0.52% | 0.52% | 0.50% |
| Current Rate | | | | |
| Current Accrual Period | 15 Apr 2024 - 15 Jul 2024 | 15 Apr 2024 - 15 Jul 2024 | 15 Apr 2024 - 15 Jul 2024 | 15 Apr 2024 - 15 Jul 2024 |

Funding 2 Interest Payment Date 15 April 2024

| | | | | |
|--------------------------------|------------------|-------------------|-------------------|-------------------|
| Expected Coupon Amount | GBP 7,317,405.74 | GBP 14,118,418.03 | GBP 14,118,418.03 | GBP 10,551,928.28 |
| Coupon Amount Paid | GBP 7,317,405.74 | GBP 14,118,418.03 | GBP 14,118,418.03 | GBP 10,551,928.28 |
| Interest Shortfall | GBP 0 | GBP 0 | GBP 0 | GBP 0 |
| Cumulative Interest Shortfall | GBP 0 | GBP 0 | GBP 0 | GBP 0 |
| Scheduled Principal Payment | GBP 0 | GBP 0 | GBP 0 | GBP 0 |
| Principal Paid | GBP 0 | GBP 0 | GBP 0 | GBP 0 |
| Principal Shortfall | GBP 0 | GBP 0 | GBP 0 | GBP 0 |
| Cumulative Principal Shortfall | GBP 0 | GBP 0 | GBP 0 | GBP 0 |

| | |
|---------------------------------|---------------------------------|
| Series Name | 2024-1 1A1 |
| Issue Date | 8 Jan 2024 |
| Orig Rating (Fitch/Moody's) | AAA(sf)/ Aaa(sf) |
| Curr Rating (Fitch/Moody's) | AAA(sf)/ Aaa(sf) |
| Currency | GBP |
| Issue Size | GBP 700,000,000 |
| Issue Size (GBP equivalent) | GBP 700,000,000 |
| Exchange Rate | - |
| Outstanding Amount ¹ | GBP 700,000,000 |
| Pool Factor ¹ | 1.0 |
| Scheduled Maturity Date | 15 Jul 28; 15 Oct 28; 15 Jan 29 |
| Final Maturity Date | 15 Jul 2073 |
| Bond Structure | Scheduled Am |
| Placement at Origination | Publicly Placed |
| ISIN | XS2737046040 |
| Stock Exchange Listing | London |
| Reference Rate | SONIA |
| Margin | 0.55% |
| Current Rate | |
| Current Accrual Period | 15 Apr 2024 - 15 Jul 2024 |

Funding 2 Interest Payment Date 15 April 2024

| | |
|--------------------------------|-------------------|
| Expected Coupon Amount | GBP 10,822,812.08 |
| Coupon Amount Paid | GBP 10,822,812.08 |
| Interest Shortfall | GBP 0 |
| Cumulative Interest Shortfall | GBP 0 |
| Scheduled Principal Payment | GBP 0 |
| Principal Paid | GBP 0 |
| Principal Shortfall | GBP 0 |
| Cumulative Principal Shortfall | GBP 0 |

¹ As at end of latest completed Interest Period and following waterfall reported on p10.

Credit Enhancement

Permanent Master Issuer notes¹

| Class | Amount (GBP equivalent) | % of Total | Support |
|------------------|-------------------------|------------|---------|
| Class A notes | £ 8,200,000,000 | 91.36% | 10.01% |
| Total notes | £ 8,200,000,000 | 91.36% | |
| Funding 2 Z Loan | £ 775,000,000 | 8.64% | |
| Total | £ 8,975,000,000 | 100.00% | |
| Reserve | £ 123,000,000 | 1.37% | |

Z Loan Required Amounts

| | |
|-----------|---------------|
| Funding 2 | £ 775,000,000 |
|-----------|---------------|

Excess Spread

Permanent Funding 2

| Amount | % |
|--------------|-------|
| £ 20,727,544 | 1.03% |

Liquidity Support

Liquidity support in relation to shortfalls of interest payable on the Notes and certain principal of the Notes is available in the form of the Funding 2 Liquidity Reserve Fund, which will be funded upon the requisite ratings downgrade (see Rating Triggers) up to the Funding 2 Liquidity Reserve Fund Required Amount, being 3% of the outstanding Notes less amounts held in the Funding 2 general reserve fund (subject to a floor of zero).

Ledgers

Funding 2 Share / Seller Share Ledger

| Date | Collateral pool balance | Funding 2 Share | Seller Share | Funding 2 Share % | Seller Share % |
|-----------|-------------------------|--------------------|--------------------|-------------------|----------------|
| 01-Jun-24 | £ 9,879,314,346.68 | £ 8,811,184,648.26 | £ 1,068,129,698.42 | 89.1882% | 10.8118% |
| 01-May-24 | £ 9,992,782,134.48 | £ 8,924,991,621.11 | £ 1,067,790,513.37 | 89.3144% | 10.6856% |
| 01-Apr-24 | £ 10,221,000,251.76 | £ 8,974,781,643.55 | £ 1,245,218,608.21 | 87.8073% | 12.1927% |

Losses Ledger

| Month | Losses in month | Funding 2 share of losses | Seller share of losses | Cumulative losses |
|----------|-----------------|---------------------------|------------------------|-------------------|
| May 2024 | £ - | £ - | £ - | £ 145,728,001.14 |
| Apr 2024 | £ 9,656.25 | £ 8,478.89 | £ 1,177.36 | £ 145,728,001.14 |
| Mar 2024 | £ - | £ - | £ - | £ 145,718,344.89 |

Funding 2 Principal Deficiency Ledger (Z Loan sub-ledger)

| Month | Debit | Credit | Balance |
|----------|------------|--------|------------|
| May 2024 | £ - | £ - | £ 8,478.89 |
| Apr 2024 | £ 8,478.89 | £ - | £ 8,478.89 |
| Mar 2024 | £ - | £ - | £ - |

Funding 2 Reserve Ledger

| Month | Debit | Credit | Balance | Funding 2 Reserve Required Amount |
|----------|-------|--------|------------------|-----------------------------------|
| May 2024 | £ - | £ - | £ 123,000,000.00 | £ 123,000,000.00 |
| Apr 2024 | £ - | £ - | £ 123,000,000.00 | £ 123,000,000.00 |
| Mar 2024 | £ - | £ - | £ 123,000,000.00 | £ 123,000,000.00 |

Bank Accounts Balance

Mortgages Trustee GIC Account

| Date | Revenue Ledger | Principal Ledger | Other | Bank Balance ² |
|-------------|-----------------|------------------|----------|---------------------------|
| 31 May 2024 | £ 33,336,607.49 | £ 113,806,972.85 | £ 100.00 | £ 147,143,680.34 |
| 30 Apr 2024 | £ 32,926,341.43 | £ 228,873,385.96 | £ 100.00 | £ 261,799,827.39 |
| 31 Mar 2024 | £ 33,145,944.63 | £ 110,737,317.85 | £ 100.00 | £ 143,883,362.48 |

²Including cash from assets for last day of month collected first working day of following month.

Funding 2 GIC Account / Collateralised GIC Account

| Date | Revenue Ledger | Principal Ledger | Cash Accumulation Ledger | General Reserve Ledger | GIC Account Balance | Collateralised GIC Account Balance |
|-------------|-----------------|------------------|--------------------------|------------------------|---------------------|------------------------------------|
| 31 May 2024 | £ 30,070,001.31 | £ 50,000,000.00 | £ - | £ 123,000,000.00 | £ 168,033,908.84 | £ 35,036,092.47 |
| 30 Apr 2024 | £ 602,051.28 | £ 218,456.45 | £ - | £ 123,000,000.00 | £ 123,820,507.73 | £ - |
| 31 Mar 2024 | £ 54,790,928.48 | £ 218,456.45 | £ - | £ 123,000,000.00 | £ 178,009,384.93 | £ - |

Funding 2 Transaction Account

| Date | Retained Profit Amount | Start-up Loans Proceeds | Bank Balance |
|-------------|------------------------|-------------------------|----------------|
| 31 May 2024 | £ 2,447,263.06 | £ 118,725.41 | £ 2,565,988.47 |
| 30 Apr 2024 | £ 2,447,263.06 | £ 118,725.41 | £ 2,565,988.47 |
| 31 Mar 2024 | £ 2,446,013.06 | £ 118,725.41 | £ 2,564,738.47 |

Funding 2 Authorised Investments: nil

Master Issuer Capital & Transaction Accounts

| Date | Issuer Profit | Capital | Aggregate Bank Balance |
|-------------|---------------|-------------|------------------------|
| 31 May 2024 | £ 348,349.38 | £ 12,501.50 | £ 360,850.88 |
| 30 Apr 2024 | £ 346,823.48 | £ 12,501.50 | £ 359,324.98 |
| 31 Mar 2024 | £ 343,959.34 | £ 12,501.50 | £ 356,460.84 |

Funding Swaps

| Funding 2 Swap Provider | Calculation Period | Notional | Funding 2 Swap Provider Amount | Funding 2 Amount | Net Funding 2 Amount ³ |
|-------------------------|---------------------|--------------------|--------------------------------|--|-----------------------------------|
| | 1 Jan - 31 Jan 2024 | £ 8,958,233,497.64 | £ 49,293,854.12 | £ 28,539,745.19 | £ 20,754,108.93 |
| | 1 Feb - 29 Feb 2024 | £ 8,958,351,357.99 | £ 44,708,237.89 | £ 26,268,053.86 | £ 18,440,184.03 |
| | 1 Mar - 30 Mar 2024 | £ 8,957,753,295.01 | £ 47,864,574.43 | £ 28,162,902.13 | £ 19,701,672.30 |
| | | | | Amount paid or received at end of latest completed Funding 2 Interest Period | £ 58,895,965.26 |

³A negative figure represents a payment by Funding 2 and a positive figure is a receipt.

Issuing Entity Swaps

| Issue & Class | Currency Swap Provider | Currency Swap Provider Amounts ⁴ | | Permanent Master Issuer GBP Amounts ⁴ | |
|---------------|------------------------|---|-----------------|--|-----------------|
| | | Floating Amount | Exchange Amount | Floating Amount | Exchange Amount |
| | | | | | |

⁴Paid in latest waterfall, reported on p10.

Rating Triggers

| Transaction Party | Required Ratings (Fitch / Moody's) | Consequence of Trigger | Current Ratings (Fitch / Moody's) |
|--|---|--|--|
| Seller: Bank of Scotland plc | Long Term: BBB / Baa2 | The Seller shall prepare draft letter of notice to each borrower of the sale and purchase effected by the Mortgage Sale Agreement. | Long Term: A+ / A1 |
| | Long Term: BBB- / Baa3 | The Minimum Seller Share will be recalculated as the rating agencies require; The Seller shall give notice to each borrower of the sale and purchase effected by the Mortgage Sale Agreement; Loan assignments or assignments (as appropriate) to be perfected. | Long Term: A+ / A1 |
| | Short Term: F1 / - Long Term: A / A3 | Establishment of the Funding 2 Liquidity Reserve Fund, unless the relevant rating agency confirms the then current ratings of the notes are not affected. | Short Term: F1 / P-1 Long Term: A+ / A1 |
| Funding 2 Swap Provider: Bank of Scotland plc | Short Term: F1 / - Long Term: A / A3 | Requirement to post collateral, replace the Funding 2 Swap Provider or obtain a guarantee of the Funding 2 Swap Provider's obligations or take such other action as is required to maintain the rating of the notes by the relevant rating agency. | Short Term: F1 / P-1 Long Term: A+ / A1 |
| Servicer: Bank of Scotland plc | Short Term: F1 / P-1 | The Servicer shall use reasonable endeavours to ensure that the title deeds are identified as distinct from the title deeds of other properties and mortgages which do not form part of the mortgage portfolio. | Short Term: F1 / P-1 |
| Account Bank: Bank of Scotland plc | Short Term: F1 / P-1 Long Term: A / - | Requirement to close the Funding 2 Bank Accounts, with the exception of, and providing the conditions in Clause 4.8 of the Cash Management Agreement are satisfied, the Funding 2 Collateralised GIC Account, and seek a replacement account bank, unless the relevant rating agency confirms the then current ratings of the notes are not affected or a guarantee of the Account Bank's obligations is obtained. | Short Term: F1 / P-1 Long Term: A+ / A1 |
| Account Bank: Bank of Scotland plc | Short Term: F2 / P-2 Long Term: BBB- / - | Requirement to transfer amounts standing to the credit of the Funding 2 Collateralised GIC Account to the Funding 2 GIC Account and close the Funding 2 Collateralised GIC Account. | Short Term: F1 / P-1 Long Term: A+ / A1 |
| Account Bank: Bank of Scotland plc | Short Term: F1 / P-1 Long Term: A / - | Requirement to close the Mortgages Trustee GIC Account and seek a replacement Account Bank, unless, within 60 days a standby account is opened with a suitably rated stand-by account bank or the relevant rating agency confirms the then current ratings of the notes are not affected or a guarantee of the Account Bank's obligations is obtained. | Short Term: F1 / P-1 Long Term: A+ / A1 |
| Account Bank: Bank of Scotland plc | Long Term: BBB- / - | Requirement to close the Mortgages Trustee GIC Account and seek a replacement Account Bank, unless the relevant rating agency confirms the then current ratings of the notes are not affected or a guarantee of the Account Bank's obligations is obtained. | Long Term: A+ / A1 |
| Issuing Entity Account Bank: Bank of Scotland plc | Short Term: F1 / P-1 Long Term: A / - | Requirement to close the Issuing Entity bank accounts and seek a replacement Issuing Entity Account Bank, unless the relevant rating agency confirms the then current ratings of the notes are not affected or a guarantee of the Issuing Entity Account Bank's obligations is obtained. | Short Term: F1 / P-1 Long Term: A+ / A1 |
| Eligible GIC Custodian: The Bank of New York Mellon | Short Term: F2 / - Long Term: BBB+ / - | The security provider shall, with the prior written approval of the secured party, revoke its appointment of the custodian by not less than 3 calendar days' notice to the custodian; provided that such revocation shall not take effect until a successor had been duly appointed in accordance with the custody agreement. | Short Term: F1+ / P-1 Long Term: AA+ / A1 |

Non-Rating Triggers

Non-asset Trigger Events

| Nature of Trigger | Description of Trigger | Consequence of Non-asset Trigger Event | Trigger occurred? |
|--|--|--|-------------------|
| Insolvency Event | An Insolvency Event in relation to the Seller | Mortgages Trust Available Principal Receipts will be applied first to Funding 2 according to their respective shares in the trust until their shares are zero and then to the Seller | N |
| Substitution of Servicer | The Seller's role as Servicer is terminated and a new servicer is not appointed within 30 days | | N |
| Breach of Minimum Seller Share | The Seller share of the trust is less than the Minimum Seller Share | | N |
| Breach of required loan balance amount | The outstanding principal balance of the loans comprising the trust property is less than the required amount specified in the latest Final Terms, currently zero. | | N |

Asset Trigger Events

| Nature of Trigger | Description of Trigger | Consequence of Non-asset Trigger Event | Trigger occurred? |
|----------------------|--|--|-------------------|
| Principal deficiency | Principal losses on the loans in the portfolio reach a level causing an amount to be debited to the Funding 2 AAA Principal Deficiency Sub-ledger and the debit amount will not be cleared on the next Interest Payment Date | Mortgages Trust Available Principal Receipts will be applied to Funding 2 and the Seller according to their respective shares in the trust until Funding 2 shares in the trust are zero and then to the Seller | N |

Other Triggers

| Nature of Trigger | Description of Trigger | Consequence of Trigger | Trigger occurred? |
|---|--|--|-------------------|
| Mortgage Sale Agreement: Breach of these (or any other) conditions under Clause 4.2 | Loans with an arrears amount which is more than three times the monthly payment due account for more than 5% of the aggregate outstanding principal balance of the Loans in the Mortgages Trust. | Seller unable to sell new portfolio to Mortgages Trustee and requirement for the Seller to repurchase any Loans subject to a Product Switch. | N |
| | The sale of any New Portfolio or completion of Product Switch does not result in the Fitch Portfolio Tests exceeding the most recently agreed Fitch Portfolio Test Value for each such Fitch Portfolio Test; or Where the above would not be satisfied in respect of any Fitch Portfolio Test, the sale of any New Portfolio or completion of Product Switch does not result in the margin by which the relevant Fitch Portfolio Test is exceeded being greater than the margin by which the Portfolio exceeded the most recently agreed Fitch Portfolio Test Value prior to completion of such sale or Product Switch. Where the above would not be satisfied in respect of the Fitch Portfolio test, Fitch has confirmed that the then current ratings of any rated notes will not be downgraded, withdrawn or qualified as a result of the sale of the new loans. | | N |
| | The yield of the Loans in the Mortgages Trust is less than the Weighted Average Reference Rate plus the Minimum Trust Property Yield Margin. | | N |
| | The assignment of new loans does not result in the Moody's Portfolio Variation Test Value exceeding the most recent test value plus 0.3%, unless Moody's has confirmed that the addition of the new loans would not affect the rating of the Notes. | | N |

Cashflows

Revenue receipts and principal receipts are allocated in accordance with 'The Mortgages Trust' and 'Cashflows' sections of the Base Prospectus. Briefly, on a monthly basis Mortgages Trust Revenue Receipts are allocated on a pro-rata basis between Funding 2 and the Seller based upon their respective shares in the Trust and Mortgages Trust Principal Receipts are allocated first to Funding 2 based upon their outstanding cash accumulation requirement, until their requirement has been satisfied, and then to the Seller. On a quarterly basis, Funding 2 will distribute its receipts to the Master Issuer and in turn the issuing entity will distribute its respective receipts to the noteholders, via the paying agents and issuing entity swap providers.

Mortgages Trust Waterfall 5 June 2024

| | | | | | |
|---|---|---------------|---|---|----------------|
| <u>Mortgages Trust Revenue Receipts</u> | £ | 33,336,607.49 | <u>Mortgages Trust Principal Receipts</u> | £ | 113,806,972.85 |
| <u>Distribution</u> | | | | | |
| Amounts due to the Servicer | £ | 424,351.02 | Paid to Funding 2 | £ | 113,806,972.85 |
| Other amounts due | £ | - | Paid to the Seller | £ | - |
| Paid to Funding 2 | £ | 29,436,875.01 | | | |
| Paid to the Seller | £ | 3,475,381.46 | | | |
| | £ | 33,336,607.49 | | £ | 113,806,972.85 |

Funding 2 Waterfall 15 April 2024

| | | | | | |
|--|---|----------------|--|---|------------|
| <u>Funding 2 Available Revenue Receipts</u> | | | <u>Funding 2 Available Principal Receipts</u> | | |
| All Mortgages Trust Revenue Receipts distributed | £ | 81,087,615.78 | All Mortgages Trust Principal Receipts distributed | £ | 218,456.45 |
| Amounts paid by the Seller to Funding 2 | £ | 149,232.37 | Funding 2 Principal on Cash Accumulation Ledger | £ | - |
| Interest on the Funding 2 bank accounts | £ | 2,043,032.36 | Amounts to be credited to PDL | £ | - |
| Amounts received under the Funding 2 Swap | £ | 58,895,965.26 | Amounts made available from General Reserve | £ | - |
| Amounts standing to credit General Reserve | £ | 123,000,000.00 | Amounts made available from Liquidity Reserve | £ | - |
| Amounts made available from Yield Reserve | £ | - | Any other amount on Funding 2 Principal Ledger | £ | - |
| Amounts made available from Liquidity Reserve | £ | - | | | |
| Amount in Transaction Account not required | £ | - | | | |
| | £ | 265,175,845.77 | | £ | 218,456.45 |
| <u>Distribution</u> | | | | | |
| Trustee and Agent fees | £ | - | Towards replenishment General Reserve | £ | - |
| Amounts due to the Master Issuer | £ | 997,118.34 | CR Liquidity Reserve Fund to required amount | £ | - |
| Other senior fees | £ | - | Towards redeeming AAA Loan Tranches | £ | - |
| Amounts due to the Cash Manager | £ | 974,828.76 | Towards redeeming AA Loan Tranches | £ | - |
| Amounts due to the Corporate Services Provider | £ | 5,161.01 | Towards redeeming A Loan Tranches | £ | - |
| Amounts payable under the Funding 2 Swap | £ | - | Towards redeeming BBB Loan Tranches | £ | - |
| Interest on AAA non-Yield Reserve Loan Tranches | £ | 119,471,193.22 | CR Cash Accumulation Ledger | £ | - |
| Towards Yield Reserve Primary Loan Interest Amt | £ | - | CR Funding 2 Principal Ledger | £ | 218,456.45 |
| Interest on AA non-Yield Reserve Loan Tranches | £ | - | | | |
| Towards Yield Reserve Primary Loan Interest Amt | £ | - | | | |
| Interest on A non-Yield Reserve Loan Tranches | £ | - | | | |
| Towards Yield Reserve Primary Loan Interest Amt | £ | - | | | |
| Interest on BBB non-Yield Reserve Loan Tranches | £ | - | | | |
| Towards Yield Reserve Primary Loan Interest Amt | £ | - | | | |
| CR to General Reserve Fund to required amount | £ | 123,000,000.00 | | | |
| Towards a credit to the Z Loan PDL | £ | - | | | |
| Interest on Z Loans | £ | 11,984,559.67 | | | |
| Other amounts due to Master Issuer | £ | 1,250.00 | | | |
| Payment to Funding 2 in respect of profit | £ | 1,250.00 | | | |
| Amounts due under the Start-up Loans | £ | - | | | |
| Deferred Consideration to the Seller | £ | 8,740,484.77 | | | |
| | £ | 265,175,845.77 | | £ | 218,456.45 |

Master Issuer Waterfall 15 April 2024

| | | | | | |
|--|---|----------------|--|---|---|
| <u>Master Issuer Revenue Receipts</u> | | | <u>Master Issuer Principal Receipts</u> | | |
| Interest received in respect of Loan Tranches | £ | 119,471,193.22 | Principal repaid by Funding 2 per Master ICL | £ | - |
| Fees received under Master Intercompany Loan | £ | 998,368.34 | | | |
| Interest on the Master Issuer bank accounts | £ | 4,355.89 | | | |
| Any other net income | £ | - | | | |
| | £ | 120,473,917.45 | | £ | - |
| <u>Distribution</u> | | | | | |
| Trustee and Agent fees | £ | 5,609.58 | Amounts due to swap providers re Class A Notes | £ | - |
| Other senior fees | £ | 16,680.00 | Principal due on Class A Notes | £ | - |
| Amounts due to the Cash Manager | £ | 974,828.76 | Amounts due to swap providers re Class B Notes | £ | - |
| Amounts due to the Corporate Services Provider | £ | - | Principal due on Class B Notes | £ | - |
| Amounts due to swap providers re Class A Notes | £ | - | Amounts due to swap providers re Class M Notes | £ | - |
| Interest due on Class A Notes | £ | 119,471,193.22 | Principal due on Class M Notes | £ | - |
| Amounts due to swap providers re Class B Notes | £ | - | Amounts due to swap providers re Class C Notes | £ | - |
| Interest due on Class B Notes | £ | - | Principal due on Class C Notes | £ | - |
| Amounts due to swap providers re Class M Notes | £ | - | | | |
| Interest due on Class M Notes | £ | - | | | |
| Amounts due to swap providers re Class C Notes | £ | - | | | |
| Interest due on Class C Notes | £ | - | | | |
| Balance to the Master Issuer | £ | 5,605.89 | | | |
| | £ | 120,473,917.45 | | £ | - |

Key Counterparties

| | |
|------------------------------|---|
| Issuing Entities | Permanent Master Issuer plc (Master Issuer), |
| Mortgages Trustee | Permanent Mortgages Trustee Limited |
| Depositors | Permanent Funding (No. 2) Limited (Funding 2) |
| Seller | Bank of Scotland plc |
| Servicer | Bank of Scotland plc |
| Cash Manager | Bank of Scotland plc |
| Account Bank | Bank of Scotland plc |
| Issuing Entity Account Bank | Bank of Scotland plc |
| Security & Note Trustee | The Bank of New York Mellon |
| Agent Bank & Paying Agent(s) | Citibank, N.A. |
| Funding 2 Swap Provider | Bank of Scotland plc |

Glossary

| | |
|-------------------------------|--|
| Capitalised arrears | Arrears of interest may be capitalised with the agreement of the borrower once a borrower has made six consecutive scheduled payments of at least the contractual amount. |
| Constant Prepayment Rate | The Constant Prepayment Rate (CPR) is an annualised percentage reflecting the amount of principal prepaid in excess of scheduled principal receipts. CPR is currently unavailable. |
| Current LTV | Current LTV is calculated using the latest Indexed Valuation held in the Seller's records. |
| Indexed Valuation | Indexation is applied quarterly in January, April, July and October to property valuations using the Halifax House Price Index. |
| Defaulted Loan | A loan is defined as being in default when the property relating to that loan has been taken into possession. |
| Excess Spread | Excess Spread (%) is calculated by dividing the annual equivalent of the remaining Available Revenue Receipts after crediting the General Reserve Fund into the weighted average principal amount outstanding of the notes during the Interest Period. |
| Months in arrears | The amount of arrears divided by the current payment due. The arrears table on page 1 includes repossessions. |
| Mortgage Account | A mortgage account consists of one or more loans secured, by way of equal ranking first charge, on the same property and thereby forming a single mortgage account. |
| Original LTV | LTV at origination has been calculated using the valuation at origination of the initial loan in a mortgage account, where this is still held in the Seller's records. Where this original valuation is no longer held, the latest valuation has been used in the calculation. Any fees added to the initial loan at origination have been excluded from the calculation. |
| Outstanding principal balance | The aggregate principal balance of the loans including (without double counting) the initial advance, any further advance, any flexible loan drawing, capitalised expenses, capitalised arrears and capitalised interest less any prepayments, repayments or payments of the foregoing prior to the relevant date, plus accrued interest on the loans as at the relevant date. |
| Principal Payment Rate | Monthly PPR reflects the aggregate of scheduled and unscheduled principal receipts, including the proceeds from any loan repurchases by the Seller. It should be noted that in reports prior to November 2011, this was labelled CPR. |
| Region | Reported regions are NUTS1 classifications. NUTS is Nomenclature of Units for Territorial Statistics. |
| Scheduled Maturity Date | The date or dates when principal is scheduled to be repaid on bullet and scheduled amortisation notes and from when principal becomes payable on pass-through notes. |
| Seasoning | Seasoning is reported on an aggregated basis for each mortgage account. It is calculated using the origination date of the original loan in the mortgage account and ignores any subsequent loans in the mortgage account. |
| Type of Loan | The 'Type of loan' and 'Distribution of fixed rate loans' tables have been prepared on the basis of the type of loan applicable to each mortgage accounts primary product holding. In addition to the primary product holding, a mortgage account may have other active product holdings which may or may not be the same type as the primary product holding. |

Risk Retention

The seller confirms that, if it sells one or more new loans and their related security to the mortgages trustee on or after 1 January 2015, then the seller, in its capacity as originator, (i) on or immediately following the relevant sale date, will retain on an on-going basis a material net economic interest in the securitisation of not less than 5 per cent. in accordance with the text of each of Article 405(1) of Regulation (EU) No 575/2013 (the Capital Requirements Regulation), and Article 51(1) of Regulation (EU) No 231/2013 (the AIFM Regulation) and Article 254 of Regulation (EU) No 2015/35 (the Solvency II Regulation) (which, in each case, does not take into account any relevant national measures) and (ii) will disclose via an RNS announcement (or in such other manner as the seller may determine) such retained interest and the manner in which it is held as contemplated by the relevant rules, provided that the seller would only be required to do so to the extent that the retention and disclosure requirements under the relevant rules remain in effect at the time of the relevant sale date. Any change to the manner in which such interest is held will be notified to noteholders.

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