

THIS NOTICE CONTAINS IMPORTANT INFORMATION OF INTEREST TO THE REGISTERED AND BENEFICIAL OWNERS OF THE NOTES (AS DEFINED BELOW). IF APPLICABLE, ALL DEPOSITARIES, CUSTODIANS AND OTHER INTERMEDIARIES RECEIVING THIS NOTICE ARE REQUESTED TO PASS THIS NOTICE TO SUCH BENEFICIAL OWNERS IN A TIMELY MANNER.

If you are in any doubt as to the action you should take, you are recommended to seek your own financial advice immediately from your stockbroker, bank manager, solicitor, accountant or other financial adviser authorised under the Financial Services and Markets Act 2000 (if you are in the United Kingdom), or from another appropriately authorised independent financial adviser and such other professional advice from your own professional advisors as you deem necessary.

This Notice is addressed only to holders of the Notes (as defined below) and persons to whom it may otherwise be lawful to distribute it ("relevant persons"). It is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this Notice relates is available only to relevant persons and will be engaged in only with relevant persons.

If you have recently sold or otherwise transferred your entire holding(s) of Notes referred to below, you should immediately forward this document to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

THIS NOTICE DOES NOT CONSTITUTE OR FORM PART OF, AND SHOULD NOT BE CONSTRUED AS, AN OFFER FOR SALE, EXCHANGE OR SUBSCRIPTION OF, OR A SOLICITATION OF ANY OFFER TO BUY, EXCHANGE OR SUBSCRIBE FOR, ANY SECURITIES OF THE ISSUER OR ANY OTHER ENTITY IN ANY JURISDICTION.

In accordance with normal practice, none of the Issuer, the Solicitation Agent, the Note Trustee, the Security Trustee or their affiliates (or their respective directors, employees, officers, consultants or agents) expresses any view or opinion whatsoever as to the Proposed Base Rate Modification, the Proposed Amendments, the Amended Documents (each as defined below) or the information set out in this Notice. The Issuer, the Solicitation Agent, the Note Trustee and the Security Trustee urge Noteholders who are in doubt as to the impact of the implementation of the Proposed Base Rate Modification, the Proposed Amendments, the Amended Documents or this Notice or any document prepared in connection with any of them (including any tax or other consequences), to seek their own independent financial, tax and legal advice. Each of the Issuer, the Note Trustee, the Security Trustee and the Solicitation Agent has not made, nor will they make, any assessment of the merits of the Proposed Base Rate Modification, the Proposed Amendments, the Amended Documents or this Notice or of the impact of the Proposed Base Rate Modification, the Proposed Amendments, the Amended Documents or this Notice on the interests of the Noteholders either as a class or as individuals.

PENARTH MASTER ISSUER PLC

35 Great St. Helen's
EC3A 6AP London
United Kingdom
(the "**Issuer**")

**NOTICE IN RESPECT OF PROPOSED BASE RATE MODIFICATION – NOTICE
OF ADJUSTED MARGIN**

to the holders of the following notes of the Issuer presently outstanding

£300,000,000 Series 2018-1 A2 Class A Asset-Backed Floating Rate Notes due 2023
Reg S ISIN: XS1779703013; Rule 144A ISIN: XS1779703286
(the "**Noteholders**" and the "**Notes**", respectively)

**THIS NOTICE IS IMPORTANT AND REQUIRES THE IMMEDIATE ATTENTION
OF NOTEHOLDERS.**

NOTICE IS HEREBY GIVEN by the Issuer to the Noteholders in accordance with Condition 16 (*Notices*) that, in connection with the Issuer's intention to amend the Notes and supporting loan notes on 18 November 2019 in order to effect the Proposed Base Rate Modification (as defined below) in accordance with Condition 14(c) (*Additional right of Modification*), as described in the Previous Notices (as defined below), that the Proposed Amendments have passed.

1. We refer to the initial Notice to Noteholders (RNS Number: 9635L) dated 11 September 2019 (the "**First Notice**"), which set forth the Issuer's intention to amend the Series 2018-1 A2 Final Terms, the Series 2018-1 A2 Loan Note Supplement, the Series 2018-1 A2 Class A Regulation S Global Note Certificate and the Series 2018-1 A2 Class A Rule 144A Global Note Certificate (the "**Amended Documents**") as prescribed below to:
 - a) remove references to "LIBOR";
 - b) change the Screen Rate to refer to a "SONIA" based rate; and
 - c) change the interest rate calculation provisions to refer to a "SONIA" based rate,
(the "**Proposed Base Rate Modification**").

The Amended Documents in blackline format can be viewed at the following link <https://www.lloydsbankinggroup.com/investors/fixed-income-investors/consent-solicitation/>, and the changes set out therein being the "**Proposed Amendments**".

2. We refer to the Notice to Noteholders (RNS Number: 3441P) dated 9 October 2019 extending the deadline for Noteholders to raise objections to the Proposed Base Rate Modification to 4 p.m. (London time) on 6 November 2019 (the "**Second Notice**")
3. We refer to the Notice to Noteholders (RNS Number: 6448S) dated 7 November 2019 notifying Noteholders that the Proposed Amendments have passed in accordance with Condition 14(c) (*Additional right of Modification*) (the "**Third Notice**" and, together with the First Notice and the Second Notice, the "**Previous Notices**").
4. We refer to the note trust deed dated 26 March 2018 between the Issuer and Deutsche Bank Trust Company Americas as note trustee (as amended, supplemented and restated from time to time, the "**Note Trust Deed**"), including the terms and conditions of the Notes set out at Schedule 1 thereto (the "**Conditions**"), pursuant to which the Notes were constituted on the terms and subject to the conditions contained therein.
5. In accordance with the Pricing Steps Paper, attached as Appendix 1 to the First Notice, (and as more particularly set out therein), the determination of the relevant market observable screen spot rates took place at 2 p.m. London time (the "**Pricing Time**") on 8 November 2019. **Accordingly, the Adjusted Margin has been determined as 0.515 per cent. per annum.** The Adjusted Margin was calculated as the sum of:
 - (i) 0.45 per cent.(the "**Margin**"); *plus*
 - (ii) the LIBOR vs SONIA Interpolated Basis (as defined in the Pricing Steps Paper) being 0.152 per cent.; *less*
 - (iii) the 3 month vs 1 month LIBOR Interpolated Basis (as defined in the Pricing Steps Paper) being 0.087 per cent.
6. Additional notifications will be made to Noteholders in accordance with Condition 16 (*Notices*) as soon as reasonably practicable following the implementation of the Proposed Amendments. The Effective Date for the Proposed Amendments is 18 November 2019.
7. Noteholders with queries concerning the content of this Notice are kindly requested to contact the Issuer, Lloyds Bank Corporate Markets plc in its capacity as the solicitation agent (the "**Solicitation Agent**") or Lucid Issuer Services Limited as tabulation agent (the "**Tabulation Agent**") using the details set out below.

Contact Details:

Issuer:

Penarth Master Issuer plc
35 Great St. Helen's
London
EC3A 6AP

Facsimile: +44 (0)20 7398 6325
Email: directors-uk@intertrustgroup.com
Attention: the Directors

Solicitation Agent:

Lloyds Bank Corporate Markets plc
10 Gresham Street
London EC2V 7AE
United Kingdom

Tel: +44 20 7158 1726 / 1721
Email: liability.management@lloydsbanking.com
Attention: Liability Management

Tabulation Agent:

Lucid Issuer Services Limited
Tankerton Works
12 Argyle Walk
London WC1H 8HA
United Kingdom
Tel: +44 20 7704 0880
Attention: David Shilson
Email: penarth@lucid-is.com

This Notice is given by

PENARTH MASTER ISSUER PLC

as Issuer

Dated 8 November 2019