

**Transaction details**

|                        |                                |
|------------------------|--------------------------------|
| Reporting Date         | 16th April 2012                |
| Reporting Period Start | 1st March 2012                 |
| Reporting Period End   | 31st March 2012                |
| Accrual Period         | 16th Mar 2012 to 16th Apr 2012 |
| Next payment date      | 16th April 2012                |

**Contact details and report distribution channels**

| Contact      | Email  | Tel           | Fax           |
|--------------|--|---------------|---------------|
| Tracey Hill  | <a href="mailto:Traceyhill@halifax.co.uk">Traceyhill@halifax.co.uk</a>             | 0113 235 2176 | 0113 235 7511 |
| Gary Staines | <a href="mailto:Gary.staines@lloydsbanking.com">Gary.staines@lloydsbanking.com</a> | 0207 158 1932 |               |

Investor reports, prospectus and access to key transaction documents  
an loan level data may be obtained at

[http://www.lloydsbankinggroup.com/investors/debt\\_investors/covered\\_bonds\\_terms.asp](http://www.lloydsbankinggroup.com/investors/debt_investors/covered_bonds_terms.asp)

**Asset Details**

|   |   |                   |  |         |
|---|---|-------------------|--|---------|
| Mortgage Balance at beginning of period | £ | 35,665,079,515.81 | Number of Mortgages at beginning of period | 378,163 |
| Mortgage Balance at end of period       | £ | 35,211,609,382.01 | Number of Mortgages at end of period       | 374,143 |

| Substitutions/Repurchases | Balance        | Number |
|---------------------------|----------------|--------|
| Substitutions in period   | £ -            | 0      |
| Repurchase in period      | £82,730,858.91 | 979    |

|   |   |                 |
|---|---|-----------------|
| Revenue collected in period (inc Bank interest) | £ | 109,120,123.70  |
| Principal Collected in period                   |   | £485,086,343.88 |
| Yield (pre-swap)                                |   | 3.68670%        |
| Net Yield (post-swap)                           |   | 0.98539%        |
| Other Substituted assets                        | £ | -               |

**Performance Ratios**

| PPR           | Monthly PPR | 1-month annualised | 3-month annualised | 12-month annualised |
|---------------|-------------|--------------------|--------------------|---------------------|
| Month         |             |                    |                    |                     |
| March 2012    | 1.36%       | 15.15%             | 13.96%             | 16.79%              |
| February 2012 | 1.21%       | 13.62%             | 14.08%             | 16.97%              |
| January 2012  | 1.16%       | 13.09%             | 16.69%             | 16.81%              |

**Stratification Tables**

| Arrears & Possessions | Aggregate outstanding balance | % of Total | Aggregate amount of Arrears | Number of Accounts | % of Total |
|-----------------------|-------------------------------|------------|-----------------------------|--------------------|------------|
| Months in arrears     |                               |            |                             |                    |            |
| Less than 1 month     | 34,611,358,214.25             | 98.30%     | 1,345,478.78                | 368,698            | 98.54%     |
| 1 - 2 months          | 395,788,482.36                | 1.12%      | 2,605,162.03                | 3,594              | 0.96%      |
| 2 - 3 months          | 142,279,249.15                | 0.40%      | 1,710,971.05                | 1,281              | 0.34%      |
| 3 - 6 months          | 61,821,927.09                 | 0.18%      | 1,032,923.16                | 565                | 0.15%      |
| 6 - 12 months         | 361,509.16                    | 0.00%      | 4,971.06                    | 5                  | 0.00%      |
| 12 months +           | 0.00                          | 0.00%      | 0.00                        | 0                  | 0.00%      |
| Total                 | 35,211,609,382.01             | 100.00%    | 6,699,506.08                | 374,143            | 100.00%    |

Bank of Scotland plc €60bn Covered Bond programme

Indexed LTV

| Indexed LTV       | Aggregate outstanding balance | % of Total     | Number of accounts | % of Total     |
|-------------------|-------------------------------|----------------|--------------------|----------------|
| >= 0% - 29.99%    | 2,715,609,678.12              | 7.71%          | 89,345             | 23.88%         |
| >= 30% - 34.99%   | 1,021,842,258.65              | 2.90%          | 17,872             | 4.78%          |
| >= 35% - 39.99%   | 1,142,912,040.48              | 3.25%          | 17,600             | 4.70%          |
| >= 40% - 44.99%   | 1,304,140,437.41              | 3.70%          | 17,413             | 4.65%          |
| >= 45% - 49.99%   | 1,473,956,412.78              | 4.19%          | 17,196             | 4.60%          |
| >= 50% - 54.99%   | 1,710,839,409.01              | 4.86%          | 17,672             | 4.72%          |
| >= 55% - 59.99%   | 1,966,550,049.34              | 5.58%          | 18,087             | 4.83%          |
| >= 60% - 64.99%   | 2,188,889,095.55              | 6.22%          | 18,649             | 4.98%          |
| >= 65% - 69.99%   | 2,544,279,324.79              | 7.23%          | 20,209             | 5.40%          |
| >= 70% - 74.99%   | 3,011,915,249.32              | 8.55%          | 22,491             | 6.01%          |
| >= 75% - 79.99%   | 3,113,427,295.56              | 8.84%          | 23,109             | 6.18%          |
| >= 80% - 84.99%   | 2,976,743,210.21              | 8.45%          | 21,395             | 5.72%          |
| >= 85% - 89.99%   | 2,702,659,326.90              | 7.68%          | 19,124             | 5.11%          |
| >= 90% - 94.99%   | 2,302,249,089.80              | 6.54%          | 16,844             | 4.50%          |
| >= 95% - 99.99%   | 1,878,412,474.16              | 5.33%          | 13,617             | 3.64%          |
| >= 100% - 104.99% | 1,519,147,162.69              | 4.31%          | 10,940             | 2.92%          |
| >= 105% - 109.99% | 929,643,660.65                | 2.64%          | 7,023              | 1.88%          |
| >= 110% - 114.99% | 457,754,677.64                | 1.30%          | 3,599              | 0.96%          |
| >= 115% - 119.99% | 189,851,804.43                | 0.54%          | 1,477              | 0.39%          |
| >= 120% - 124.99% | 45,355,293.14                 | 0.13%          | 364                | 0.10%          |
| >=125%            | 15,431,431.38                 | 0.04%          | 117                | 0.03%          |
| <b>Total</b>      | <b>35,211,609,382.01</b>      | <b>100.00%</b> | <b>374,143</b>     | <b>100.00%</b> |

\*Including capitalised interest, capitalised high LTV fees, insurance fees, booking fees and valuation fees and using latest indexed valuation

|                                     |         |
|-------------------------------------|---------|
| Maximum Indexed LTV                 | 160.89% |
| The weighted average Indexed LTV is | 69.39%  |
| Minimum Indexed LTV                 | -0.10%  |

Outstanding Balances

| Ranges of balances at the end of the reporting period | Aggregate outstanding balance | % of Total     | Number of accounts | % of Total     |
|---|-------------------------------|----------------|--------------------|----------------|
| >=0 - < 50,000  | 3,275,161,597.28              | 9.30%          | 121,066            | 32.36%         |
| >=50,000 - < 100,000                                  | 8,923,931,558.10              | 25.34%         | 120,706            | 32.26%         |
| >=100,000 - < 150,000                                 | 8,760,014,624.86              | 24.88%         | 71,994             | 19.24%         |
| >=150,000 - < 200,000                                 | 5,346,957,457.81              | 15.19%         | 31,189             | 8.34%          |
| >=200,000 - < 250,000                                 | 2,931,503,958.83              | 8.33%          | 13,235             | 3.54%          |
| >=250,000 - < 300,000                                 | 1,649,547,600.80              | 4.68%          | 6,065              | 1.62%          |
| >=300,000 - < 350,000                                 | 1,031,604,884.62              | 2.93%          | 3,203              | 0.86%          |
| >=350,000 - < 400,000                                 | 747,084,250.96                | 2.12%          | 2,004              | 0.54%          |
| >=400,000 - < 450,000                                 | 533,392,265.99                | 1.51%          | 1,264              | 0.34%          |
| >=450,000 - < 500,000                                 | 485,542,897.79                | 1.38%          | 1,021              | 0.27%          |
| >=500,000 - < 550,000                                 | 364,215,537.46                | 1.03%          | 703                | 0.19%          |
| >=550,000 - < 600,000                                 | 257,736,852.01                | 0.73%          | 449                | 0.12%          |
| >=600,000 - < 650,000                                 | 213,966,820.59                | 0.61%          | 344                | 0.09%          |
| >=650,000 - < 700,000                                 | 174,879,341.06                | 0.50%          | 260                | 0.07%          |
| >=700,000 - < 750,000                                 | 142,304,478.55                | 0.40%          | 197                | 0.05%          |
| >=750,000 - < 800,000                                 | 116,060,525.40                | 0.33%          | 151                | 0.04%          |
| >=800,000 - < 850,000                                 | 86,832,365.24                 | 0.25%          | 106                | 0.03%          |
| >=850,000 - < 900,000                                 | 62,034,681.11                 | 0.18%          | 71                 | 0.02%          |
| >=900,000 - < 950,000                                 | 52,422,758.34                 | 0.15%          | 57                 | 0.02%          |
| >=950,000 - < 1,000,000                               | 56,414,925.21                 | 0.16%          | 58                 | 0.02%          |
| >=1,000,000   | 0.00                          | 0.00%          | 0                  | 0.00%          |
| <b>Total</b>  | <b>35,211,609,382.01</b>      | <b>100.00%</b> | <b>374,143</b>     | <b>100.00%</b> |

|                               |              |
|-------------------------------|--------------|
| Maximum Loan balance          | £ 997,038.34 |
| Weighted Average Loan Balance | £ 169,753.43 |
| Average Loan Balance          | £ 94,112.70  |
| Minimum Loan Balance          | -£ 14,787.06 |

Bank of Scotland plc €60bn Covered Bond programme

Seasoning

| Age of loans in months | Aggregate outstanding balance | % of Total     | Number of Accounts | % of Total     |
|------------------------|-------------------------------|----------------|--------------------|----------------|
| 0 months               | <6 months                     | 0.00%          | 0                  | 0.00%          |
| 6 months               | <12 months                    | 0.83%          | 2,522              | 0.67%          |
| 12 months              | <18 months                    | 0.48%          | 1,498              | 0.40%          |
| 18 months              | <24 months                    | 0.43%          | 1,241              | 0.33%          |
| 24 months              | <30 months                    | 0.54%          | 1,653              | 0.44%          |
| 30 months              | <36 months                    | 0.35%          | 1,159              | 0.31%          |
| 36 months              | <42 months                    | 1.65%          | 4,445              | 1.19%          |
| 42 months              | <48 months                    | 9.04%          | 27,656             | 7.39%          |
| 48 months              | <54 months                    | 13.59%         | 38,766             | 10.36%         |
| 54 months              | <60 months                    | 16.44%         | 43,221             | 11.55%         |
| 60 months              | <66 months                    | 6.77%          | 20,570             | 5.50%          |
| 66 months              | <72 months                    | 9.29%          | 31,195             | 8.34%          |
| 72 months              | <84 months                    | 13.79%         | 51,007             | 13.63%         |
| 84 months              | <96 months                    | 8.75%          | 36,967             | 9.88%          |
| 96 months              | <108 months                   | 6.33%          | 30,541             | 8.16%          |
| >=108 Months           |                               | 11.71%         | 81,702             | 21.84%         |
| <b>Total</b>           |                               | <b>100.00%</b> | <b>374,143</b>     | <b>100.00%</b> |

|                            |               |
|----------------------------|---------------|
| Maximum Seasoning          | 193.94 Months |
| Weighted average seasoning | 73.51 Months  |
| Minimum Seasoning          | 7 Months      |

Years to Maturity

| Years to Maturity | Aggregate outstanding balance | % of Total     | Number of Accounts | % of Total     |
|-------------------|-------------------------------|----------------|--------------------|----------------|
| 0 Years           | <5 Years                      | 4.34%          | 31,596             | 8.44%          |
| 5 Years           | <10 Years                     | 10.34%         | 52,690             | 14.08%         |
| 10 Years          | <15 Years                     | 17.97%         | 71,524             | 19.12%         |
| 15 Years          | <20 Years                     | 31.04%         | 96,461             | 25.78%         |
| 20 Years          | <25 Years                     | 19.50%         | 53,222             | 14.23%         |
| 25 Years          | <30 Years                     | 8.55%          | 30,513             | 8.16%          |
| 30 Years          | <35 Years                     | 7.03%          | 33,263             | 8.89%          |
| 35 Years +        |                               | 1.23%          | 4,874              | 1.30%          |
| <b>Total</b>      |                               | <b>100.00%</b> | <b>374,143</b>     | <b>100.00%</b> |

|                                 |             |
|---------------------------------|-------------|
| Maximum Remaining Term          | 40.08 Years |
| Weighted average remaining term | 17.88 Years |
| Minimum Remaining Term          | 0 Years     |

Geographical Region

| Region                   | Aggregate outstanding balance | % of Total     | Number of Accounts | % of Total     |
|--------------------------|-------------------------------|----------------|--------------------|----------------|
| Unknown                  | 14,681,388.80                 | 0.04%          | 105                | 0.03%          |
| East Midlands            | 2,058,536,571.41              | 5.85%          | 25,487             | 6.81%          |
| East of England          | 3,312,583,540.18              | 9.41%          | 29,826             | 7.97%          |
| London                   | 6,044,264,534.47              | 17.17%         | 37,582             | 10.04%         |
| North East               | 1,282,377,603.85              | 3.64%          | 18,561             | 4.96%          |
| North West               | 3,350,198,859.29              | 9.51%          | 43,700             | 11.68%         |
| Scotland                 | 3,732,745,256.22              | 10.60%         | 57,723             | 15.43%         |
| South East               | 5,780,344,994.18              | 16.42%         | 45,323             | 12.11%         |
| South West               | 2,550,741,742.66              | 7.24%          | 25,573             | 6.84%          |
| Wales                    | 1,212,158,865.98              | 3.44%          | 16,005             | 4.28%          |
| West Midlands            | 2,612,323,024.86              | 7.42%          | 30,872             | 8.25%          |
| Yorkshire And The Humber | 3,260,653,000.11              | 9.26%          | 43,386             | 11.60%         |
| <b>Total</b>             |                               | <b>100.00%</b> | <b>374,143</b>     | <b>100.00%</b> |

Bank of Scotland plc €60bn Covered Bond programme

Current LTV

| Current LTV       | Aggregate outstanding balance | % of Total     | Number of accounts | % of Total     |
|-------------------|-------------------------------|----------------|--------------------|----------------|
| >= 0% - 29.99%    | 2,938,083,226.03              | 8.34%          | 90,516             | 24.19%         |
| >= 30% - 34.99%   | 1,111,645,191.64              | 3.16%          | 18,858             | 5.04%          |
| >= 35% - 39.99%   | 1,282,780,261.86              | 3.64%          | 18,997             | 5.08%          |
| >= 40% - 44.99%   | 1,497,464,106.68              | 4.25%          | 19,546             | 5.22%          |
| >= 45% - 49.99%   | 1,695,909,049.27              | 4.82%          | 19,754             | 5.28%          |
| >= 50% - 54.99%   | 2,017,944,906.67              | 5.73%          | 20,604             | 5.51%          |
| >= 55% - 59.99%   | 2,417,154,225.70              | 6.86%          | 21,917             | 5.86%          |
| >= 60% - 64.99%   | 2,707,452,428.06              | 7.69%          | 23,325             | 6.23%          |
| >= 65% - 69.99%   | 3,442,215,596.05              | 9.78%          | 26,905             | 7.19%          |
| >= 70% - 74.99%   | 4,197,418,572.55              | 11.92%         | 30,392             | 8.12%          |
| >= 75% - 79.99%   | 3,760,486,683.77              | 10.68%         | 26,715             | 7.14%          |
| >= 80% - 84.99%   | 2,949,579,575.70              | 8.38%          | 20,549             | 5.49%          |
| >= 85% - 89.99%   | 2,636,796,370.54              | 7.49%          | 17,800             | 4.76%          |
| >= 90% - 94.99%   | 1,436,626,651.40              | 4.08%          | 10,323             | 2.76%          |
| >= 95% - 99.99%   | 563,687,432.49                | 1.60%          | 4,204              | 1.12%          |
| >= 100% - 104.99% | 254,658,124.27                | 0.72%          | 1,797              | 0.48%          |
| >= 105% - 109.99% | 173,506,033.86                | 0.49%          | 1,130              | 0.30%          |
| >= 110% - 114.99% | 90,326,447.42                 | 0.26%          | 587                | 0.16%          |
| >= 115% - 119.99% | 31,937,004.80                 | 0.09%          | 186                | 0.05%          |
| >= 120% - 124.99% | 4,429,758.49                  | 0.01%          | 24                 | 0.01%          |
| >=125%            | 1,507,734.76                  | 0.00%          | 14                 | 0.00%          |
| <b>Total</b>      | <b>35,211,609,382.01</b>      | <b>100.00%</b> | <b>374,143</b>     | <b>100.00%</b> |

\*Including capitalised interest, capitalised high LTV fees, insurance fees, booking fees and valuation fees and using latest non-indexed valuation

|                                     |         |
|-------------------------------------|---------|
| Maximum Current LTV                 | 160.89% |
| The Weighted Average Current LTV is | 63.97%  |
| Minimum Current LTV                 | -0.27%  |

Property Type

| Property type | Aggregate outstanding balance | % of Total     | Number of Accounts | % of Total     |
|---------------|-------------------------------|----------------|--------------------|----------------|
| Detached      | 10,459,309,118.86             | 29.70%         | 82,293             | 22.00%         |
| Semi-Detached | 10,442,406,080.50             | 29.66%         | 124,045            | 33.15%         |
| Terraced      | 9,784,583,736.64              | 27.79%         | 120,022            | 32.08%         |
| Other*        | 4,525,310,446.01              | 12.85%         | 47,783             | 12.77%         |
| <b>Total</b>  | <b>35,211,609,382.01</b>      | <b>100.00%</b> | <b>374,143</b>     | <b>100.00%</b> |

\*Primarily flats & Maisonettes

Repayment Types

| Repayment terms | Aggregate outstanding balance | % of Total     | Number of Accounts | % of Total     |
|-----------------|-------------------------------|----------------|--------------------|----------------|
| Interest only   | 16,752,237,908.25             | 47.58%         | 142,132            | 37.99%         |
| Repayment       | 18,459,371,473.76             | 52.42%         | 232,011            | 62.01%         |
| <b>Total</b>    | <b>35,211,609,382.01</b>      | <b>100.00%</b> | <b>374,143</b>     | <b>100.00%</b> |

Special rate and flexible loans

| Type of Loan                    | Aggregate outstanding IBB balance | % of Total     | Number of Accounts | % of Total     |
|---------------------------------|-----------------------------------|----------------|--------------------|----------------|
| Discounted loans                | 256,190,555.07                    | 0.73%          | 2,529              | 0.68%          |
| Fixed rate loans                | 7,917,961,324.24                  | 22.49%         | 83,814             | 22.40%         |
| Tracker rate loans              | 5,902,630,628.81                  | 16.76%         | 65,445             | 17.49%         |
| Loans on Standard Variable Rate | 21,134,826,873.89                 | 60.02%         | 222,355            | 59.43%         |
| <b>Total</b>                    | <b>35,211,609,382.01</b>          | <b>100.00%</b> | <b>374,143</b>     | <b>100.00%</b> |

of which

|                |                |       |       |       |
|----------------|----------------|-------|-------|-------|
| Flexible loans | 156,644,978.17 | 0.44% | 1,605 | 0.43% |
|----------------|----------------|-------|-------|-------|

Fixed Interest Rates

| Fixed rate    | Aggregate outstanding balance | % of Total     | Number of Accounts | % of Total     |
|---------------|-------------------------------|----------------|--------------------|----------------|
| 0 - <4.00%    | 1,264,709,539.47              | 15.97%         | 11,340             | 13.53%         |
| 4.00 - <5.00% | 2,249,185,261.35              | 28.41%         | 22,000             | 26.25%         |
| 5.00 - <6.00% | 3,205,010,296.87              | 40.48%         | 33,541             | 40.02%         |
| 6.00 - <7.00% | 1,127,986,027.19              | 14.25%         | 15,280             | 18.23%         |
| >=7.00%       | 71,070,199.36                 | 0.90%          | 1,653              | 1.97%          |
| <b>Total</b>  | <b>7,917,961,324.24</b>       | <b>100.00%</b> | <b>83,814</b>      | <b>100.00%</b> |

**Bank of Scotland plc €60bn Covered Bond programme**

Year Fixed Rate Product ends

| Year in which current fixed rate period ends | Aggregate outstanding balance | % of Total     | Number of Accounts | % of Total     |
|--|-------------------------------|----------------|--------------------|----------------|
| 2011   | 213,809.72                    | 0.00%          | 23                 | 0.03%          |
| 2012   | 2,722,151,029.43              | 34.38%         | 28,560             | 34.08%         |
| 2013   | 2,409,234,721.43              | 30.43%         | 23,302             | 27.80%         |
| 2014   | 1,782,525,886.65              | 22.51%         | 18,318             | 21.86%         |
| 2015   | 342,599,818.58                | 4.33%          | 4,881              | 5.82%          |
| 2016   | 244,701,370.23                | 3.09%          | 3,209              | 3.83%          |
| 2017   | 232,652,703.89                | 2.94%          | 3,263              | 3.89%          |
| 2018+  | 183,881,984.31                | 2.32%          | 2,258              | 2.69%          |
| <b>Total</b>                                 | <b>7,917,961,324.24</b>       | <b>100.00%</b> | <b>83,814</b>      | <b>100.00%</b> |

**The Asset Coverage Test**

Part A is defined by the lower of two variables which are:-

(i) Adjusted Current Balance of each loan in the portfolio which is (1) the lower of the actual current balance of each relevant loan and (2) 60 per cent. of the Indexed Valuation (please see Glossary which defines these terms) minus the adjusted current balance of the deemed reductions

(ii) Aggregate current balance of the loans in the portfolio *minus* the aggregate current balance of deemed reductions, *the result of which is multiplied* by the Asset Percentage

**A(i)**

|  |   |                          |
|--|---|--------------------------|
| Adjusted Current Balance                                   | £ | 29,027,731,573.20        |
| <i>minus</i> Adjusted Current Balance of Deemed Reductions | £ | 50,955,842.75            |
|  | £ | <b>28,976,775,730.45</b> |

**A(ii)**

|   |   |                          |
|---|---|--------------------------|
| Aggregate Current Balance                                   | £ | 35,211,609,382.01        |
| <i>minus</i> Aggregate Current Balance of Deemed Reductions | £ | 64,423,092.22            |
| Net sum   | £ | 35,147,186,289.79        |
| Net sum multiplied by Asset Percentage                      | £ | <b>24,603,030,402.85</b> |

|                                |   |                          |
|--------------------------------|---|--------------------------|
| <b>Lower of A(i) and A(ii)</b> | £ | <b>24,603,030,402.85</b> |
|--------------------------------|---|--------------------------|

| Method Used for Calculation                                | A(ii)                      | Lower of A (i) Adjusted Current Balance less Deemed Reductions or A(ii) Aggregate Current Balance less Deemed Reductions multiplied by the Asset Percentage  |
|--|----------------------------|--|
| <b>Asset Percentage</b>                                    | <b>70.00%</b>              | Asset Percentage   |
| <b>A =</b>   | £ 24,603,030,402.85        | Aggregate Current Balance less Deemed Reductions multiplied by the Asset Percentage  |
| <b>B =</b>   | £ 3,431,852,638.83         | Principal Receipts that have not been applied to acquire further loans or otherwise applied in accordance with the Transaction Documents   |
| <b>C =</b>   | £ -                        | Cash Capital Contributions made by the Members or proceeds of Term Advances that have not been applied to acquire further loans or otherwise applied in accordance with the Transaction Documents  |
| <b>D =</b>   | £ -                        | Outstanding Principal Balance of any Substitution Assets   |
| <b>E =</b>   | £ -                        | Amount of any Sale Proceeds standing to the credit of the GIC Account and credited to the Pre-maturity Liquidity Ledger  |
| <b>X =</b>   | £ 1,760,580,469.10         | 5% of the aggregate Current Balance of the Loans in the Portfolio, on the relevant Calculation Date  |
| <b>Y =</b>   | £ 17,394,563.24            | 8% (cost of refinancing the amount drawn) multiplied by the Flexible Redraw Capacity, (the excess of the Maximum amount that Borrowers may draw under Flexible Loans in the Portfolio (whether or not drawn) as determined, and the Aggregate Current Balance of all Flexible Loans in the Portfolio) multiplied by 3. |
| <b>Z =</b>   | £ 590,579,999.96           | Weighted Average Maturity of all Covered Bonds outstanding, multiplied by the Sterling Equivalent of the Aggregate Principal Amount Outstanding of the Covered Bonds multiplied by 0.65%   |
| <b>Adjusted Aggregate Loan Amount: (A+B+C+D+E-(X+Y+Z))</b> | £ <b>25,666,328,009.38</b> |  |
| <b>Principal Amount Outstanding of the Covered Bonds</b>   | £ <b>23,237,138,595.03</b> |  |
| <b>Current Amount of Credit Support</b>                    | £ <b>2,429,189,414.35</b>  | Result of the Overcollateralisation in the Asset Coverage Test   |
|  | <b>PASS</b>                | Pass/Fail  |

The Maximum Asset Percentage available to the Pool is 92.5%. However, we are current using a lower Asset Percentage (AP) to support the ratings on the Bonds

If the Adjusted Aggregate loan amount is less than the aggregate Principal outstanding of the Covered Bonds then the Asset Coverage test will fail. This must be cured by the next calculation date

**Interest Shortfall Test**

|                                |          |                      |             |
|--------------------------------|----------|----------------------|-------------|
| Revenue receipts               | £        | 106,374,869.35       |             |
| Interest                       | £        | 1,672,677.15         |             |
| Interest Rate Swap             | -£       | 57,860,536.26        |             |
| Interest for Shortfall         | £        | -                    |             |
| Interest on payments           | -£       | 13,980,640.32        |             |
| Servicer and Cash Manager Fees | -£       | 3,029,088.94         |             |
| <b>Excess Cash</b>             | <b>£</b> | <b>33,177,280.98</b> | <b>PASS</b> |

**Pre Maturity Test - Cash is held in the GIC account to meet the Pre Maturity requirement**

**The Amortisation Test/Yield Shortfall Test**

The calculation of these tests is only required to be performed once a HBOS Event of Default has occurred, therefore until there is an HBOS Event of Default this section will be intentionally left blank

**GIC Account**

|                      |          |                         |
|----------------------|----------|-------------------------|
| Reserve Fund Ledger  | £        | 749,018,023.08          |
| Pre-Maturity Ledger  | £        | 2,082,365,619.91        |
| Revenue Ledger       | £        | 109,234,737.98          |
| Principal Ledger     | £        | 1,349,487,018.92        |
| <b>Total Balance</b> | <b>£</b> | <b>4,290,105,399.89</b> |

**Waterfall distributed on 16th February 2012****Revenue**

|   |          |                       |
|---|----------|-----------------------|
| <b>Total Revenue to be distributed</b>                                  | <b>£</b> | <b>106,180,688.61</b> |
| Amounts payable to third parties  | £        | -                     |
| (i) Servicer Fees, expenses   | £        | 1,449,037.30          |
| (ii) Cash Manager remuneration & costs                                  | £        | 1,449,037.30          |
| (iii) Account Bank fees/costs   | £        | -                     |
| (iv) Corporate Service Provider costs                                   | £        | -                     |
| (v) Asset Monitor - all costs except indemnity amount                   | £        | -                     |
| Amounts paid under the IRS  | £        | 56,036,348.60         |
| Reserve Ledger credit (up to req'd amount)                              | £        | -                     |
| (i) Pre-Maturity Liquidity Ledger (if req'd)                            | £        | -                     |
| (ii) amounts standing to Prematurity ledger                             | £        | -                     |
| IF a Servicer Event of Default occurs, all remaining revenue to GIC A/C | £        | -                     |
| Excluded Swap Termination Amount (see comment)                          | £        | -                     |
| Amounts due under intercompany loans                                    | £        | 13,980,640.32         |
| Indemnity Amount to the Members   | £        | -                     |
| Indemnity Amount to the Asset Monitor                                   | £        | -                     |
| Deferred Consideration  | £        | 3,000.00              |
| Profit allocation to Members of LLP                                     | £        | 106,180,688.61        |

**Principal**

|  |          |                       |
|--|----------|-----------------------|
| <b>Total Principal to be distributed</b> | <b>£</b> | <b>864,400,675.04</b> |
| Pre-Maturity Liquidity Ledger            | £        | -                     |
| Acquisition of New Loans                 | £        | -                     |
| Principal Ledger                         | £        | 864,400,675.04        |
| Principal Repayments on the ICL          | £        | -                     |
| Return of Capital Contribution           | £        | -                     |

For further details of the Waterfall please refer to Pages 244-252 of the Base prospectus dated 10th March 2010

Bank of Scotland plc €60bn Covered Bond programme

Structure and Liability Details

| Series Name                 | 2                        | 4                        | 5                        | 6                        | 7                        | 9                        | 10                       |
|-----------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| Issue Date                  | 23-Oct-2003              | 4-Jun-2004               | 23-Sep-2004              | 13-Dec-2004              | 8-Feb-2005               | 15-Aug-2005              | 15-Aug-2005              |
| Original Rating             | AAA/Aaa/AAA              | AAA/Aaa/AAA              | AAA/Aaa/AAA              | AAA/Aaa/AAA              | AAA/Aaa/AAA              | AAA/Aaa/AAA              | AAA/Aaa/AAA              |
| Current Rating              | AAA/Aaa/AAA              | AAA/Aaa/AAA              | AAA/Aaa/AAA              | AAA/Aaa/AAA              | AAA/Aaa/AAA              | AAA/Aaa/AAA              | AAA/Aaa/AAA              |
| Currency                    | EURO                     | EURO                     | EURO                     | GBP                      | EURO                     | EURO                     | EURO                     |
| Issue Size                  | 2,000,000,000            | 1,250,000,000            | 2,000,000,000            | 500,000,000              | 1,500,000,000            | 644,850,000              | 189,100,000              |
| Issue Size (GBP equivalent) | 1,392,600,000            | 831,875,000              | 1,360,544,218            | 500,000,000              | 1,038,000,000            | 446,881,050              | 131,046,300              |
| Exchange Rate               | 1.4362                   | 1.5026                   | 1.4700                   | 1.0000                   | 1.4451                   | 1.4430                   | 1.4430                   |
| Outstanding Amount          | 2,000,000,000            | 1,250,000,000            | 2,000,000,000            | 500,000,000              | 1,500,000,000            | 644,850,000              | 189,100,000              |
| Coupon                      | Annual Fixed             | Annual Fixed             | Annual Fixed             | 3M GBP+0.075%            | Annual Fixed             | 6M Euribor Flat          | 3M Euribor Flat          |
| Current Rate                | 4.5000%                  | 4.8750%                  | 4.2500%                  | 1.05525%                 | 3.8750%                  | 1.75800%                 | 1.41700%                 |
| Expected Maturity Date      | 23-Oct-13                | 04-Jun-19                | 23-Sep-14                | 13-Dec-14                | 07-Feb-20                | 10-Oct-12                | 30-Sep-13                |
| Final Legal Maturity Date   | 23-Oct-13                | 04-Jun-19                | 23-Sep-14                | 13-Dec-14                | 07-Feb-20                | 10-Oct-12                | 30-Sep-13                |
| Bond Structure              | Hard Bullet              | Hard Bullet              | Hard Bullet              | Hard Bullet              | Hard Bullet              | Hard Bullet              | Hard Bullet              |
| ISIN:                       | XS0178952650             | XS0193640629             | XS0201674594             | XS0208047778             | XS0212074388             | XS0226831799             | XS0226832250             |
| Stock Exchange Listing      | Luxembourg               | Luxembourg               | Luxembourg               | Luxembourg               | Luxembourg               | Luxembourg               | Luxembourg               |
| Reference Rate              | 0.0000%                  | 0.0000%                  | 0.0000%                  | 1.0553%                  | 0.0000%                  | 1.7580%                  | 1.4170%                  |
| Margin                      | 4.5000%                  | 4.8750%                  | 4.2500%                  | 0.0750%                  | 3.8750%                  | 0.0000%                  | 0.0000%                  |
| Current Bond Accrual Period | 23/10/2011 to 23/10/2012 | 04/06/2011 to 04/06/2012 | 23/09/2011 to 23/09/2012 | 13/12/2011 to 13/03/2012 | 07/02/2012 to 07/02/2013 | 07/10/2011 to 09/04/2012 | 20/12/2011 to 20/03/2012 |

Previous Payment Date

|  |               |               |               |              |               |              |            |
|--|---------------|---------------|---------------|--------------|---------------|--------------|------------|
| Expected Coupon Amount                 | 62,667,000.00 | 40,553,906.25 | 57,823,129.27 | 1,408,941.78 | 40,222,500.00 | 4,037,197.89 | 469,389.65 |
| Coupon Amount Paid                     | 62,667,000.00 | 40,553,906.25 | 57,823,129.27 | 1,408,941.78 | 40,222,500.00 | 4,037,197.89 | 469,389.65 |
| Interest Shortfall                     | 0.00          | 0.00          | 0.00          | 0.00         | 0.00          | 0.00         | 0.00       |
| Cumulative Interest Shortfall          | 0.00          | 0.00          | 0.00          | 0.00         | 0.00          | 0.00         | 0.00       |
| Expected Principal Bond Payment        | 0.00          | 0.00          | 0.00          | 0.00         | 0.00          | 0.00         | 0.00       |
| Principal Bond Paid                    | 0.00          | 0.00          | 0.00          | 0.00         | 0.00          | 0.00         | 0.00       |
| Principal Shortfall                    | 0.00          | 0.00          | 0.00          | 0.00         | 0.00          | 0.00         | 0.00       |
| Cumulative Principal Shortfall         | 0.00          | 0.00          | 0.00          | 0.00         | 0.00          | 0.00         | 0.00       |
| Expected Intercompany interest amount  | 837,858.74    | 500,498.16    | 818,572.36    | 300,825.34   | 624,513.41    | 268,866.29   | 78,844.10  |
| Intercompany interest amount paid      | 837,858.74    | 500,498.16    | 818,572.36    | 300,825.34   | 624,513.41    | 268,866.29   | 78,844.10  |
| Expected Intercompany principal amount | 0.00          | 0.00          | 0.00          | 0.00         | 0.00          | 0.00         | 0.00       |
| Intercompany principal amount paid     | 0.00          | 0.00          | 0.00          | 0.00         | 0.00          | 0.00         | 0.00       |

| Series Name                 | 11                       | 12                       | 13                       | 14                       | 15                       | 16                       | 17                       |
|-----------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| Issue Date                  | 15-Aug-2005              | 2-Mar-2011               | 2-Mar-2011               | 20-Dec-2010              | 25-Jan-2006              | 13-Jul-2006              | 13-Jul-2006              |
| Original Rating             | AAA/Aaa/AAA              | AAA/Aaa/AAA              | AAA/Aaa/AAA              | AAA/Aaa/AAA              | AAA/Aaa/AAA              | AAA/Aaa/AAA              | AAA/Aaa/AAA              |
| Current Rating              | AAA/Aaa/AAA              | AAA/Aaa/AAA              | AAA(sf)/Aaa(sf)/AAA(sf)  | AAA(sf)/Aaa(sf)/AAA(sf)  | AAA(sf)/Aaa(sf)/AAA(sf)  | AAA(sf)/Aaa(sf)/AAA(sf)  | AAA(sf)/Aaa(sf)/AAA(sf)  |
| Currency                    | USD                      | EURO                     | GBP                      | GBP                      | EURO                     | EURO                     | EURO                     |
| Issue Size                  | 70,200,000               | 292,250,000              | 233,800,000              | 200,000,000              | 2,000,000,000            | 1,500,000,000            | 1,500,000,000            |
| Issue Size (GBP equivalent) | 39,527,027               | 250,000,000              | 200,000,000              | 200,000,000              | 1,372,000,000            | 1,041,750,000            | 1,041,750,000            |
| Exchange Rate               | 1.7760                   | 1.1690                   | 1.1690                   | 1.0000                   | 1.4577                   | 1.4399                   | 1.4399                   |
| Outstanding Amount          | 70,200,000               | 292,250,000              | 233,800,000              | 200,000,000              | 2,000,000,000            | 1,500,000,000            | 1,500,000,000            |
| Coupon                      | 3M USD -0.01             | Annual Fixed             | Annual Fixed             | 3M GBP+1.28%             | Annual Fixed             | Annual Fixed             | Annual Fixed             |
| Current Rate                | 0.56315%                 | 2.58900%                 | 2.86500%                 | 1.06238%                 | 3.25000%                 | 4.50000%                 | 4.37500%                 |
| Expected Maturity Date      | 30-Sep-13                | 26-Nov-12                | 28-May-13                | 25-Nov-13                | 25-Jan-13                | 13-Jul-21                | 13-Jul-16                |
| Final Legal Maturity Date   | 30-Sep-13                | 26-Nov-12                | 28-May-13                | 25-Nov-13                | 25-Jan-13                | 13-Jul-21                | 13-Jul-16                |
| Bond Structure              | Hard Bullet              | Hard Bullet              | Hard Bullet              | Hard Bullet              | Hard Bullet              | Hard Bullet              | Hard Bullet              |
| ISIN:                       | XS0226831872             | XS0236528385             | XS0236528542             | XS0236527817             | XS0241851764             | XS0260981658             | XS0260981229             |
| Stock Exchange Listing      | Luxembourg               | Luxembourg               | Luxembourg               | Luxembourg               | Luxembourg               | Luxembourg               | Luxembourg               |
| Reference Rate              | 0.5632%                  | 0.0000%                  | 0.0000%                  | 1.0326%                  | 0.0000%                  | 0.0000%                  | 0.0000%                  |
| Margin                      | -0.0100%                 | 2.5890%                  | 2.8650%                  | 1.2800%                  | 3.2500%                  | 4.5000%                  | 4.3750%                  |
| Current Bond Accrual Period | 20/12/2011 to 20/03/2012 | 26/11/2011 to 26/11/2012 | 28/05/2011 to 28/05/2012 | 27/02/2012 to 25/05/2012 | 25/01/2012 to 25/01/2013 | 13/07/2011 to 13/07/2012 | 13/07/2011 to 13/07/2012 |

Previous Payment Date

|  |           |              |              |              |               |               |               |
|--|-----------|--------------|--------------|--------------|---------------|---------------|---------------|
| Expected Coupon Amount                 | 55,268.28 | 6,472,500.00 | 5,730,000.00 | 1,191,162.85 | 44,590,000.00 | 46,878,750.00 | 45,576,562.50 |
| Coupon Amount Paid                     | 55,268.28 | 6,472,500.00 | 5,730,000.00 | 1,191,162.85 | 44,590,000.00 | 46,878,750.00 | 45,576,562.50 |
| Interest Shortfall                     | 0.00      | 0.00         | 0.00         | 0.00         | 0.00          | 0.00          | 0.00          |
| Cumulative Interest Shortfall          | 0.00      | 0.00         | 0.00         | 0.00         | 0.00          | 0.00          | 0.00          |
| Expected Principal Bond Payment        | 0.00      | 0.00         | 0.00         | 0.00         | 0.00          | 0.00          | 0.00          |
| Principal Bond Paid                    | 0.00      | 0.00         | 0.00         | 0.00         | 0.00          | 0.00          | 0.00          |
| Principal Shortfall                    | 0.00      | 0.00         | 0.00         | 0.00         | 0.00          | 0.00          | 0.00          |
| Cumulative Principal Shortfall         | 0.00      | 0.00         | 0.00         | 0.00         | 0.00          | 0.00          | 0.00          |
| Expected Intercompany interest amount  | 23,781.46 | 150,412.67   | 120,330.14   | 120,330.14   | 825,464.74    | 626,769.60    | 626,769.60    |
| Intercompany interest amount paid      | 23,781.46 | 150,412.67   | 120,330.14   | 120,330.14   | 825,464.74    | 626,769.60    | 626,769.60    |
| Expected Intercompany principal amount | 0.00      | 0.00         | 0.00         | 0.00         | 0.00          | 0.00          | 0.00          |
| Intercompany principal amount paid     | 0.00      | 0.00         | 0.00         | 0.00         | 0.00          | 0.00          | 0.00          |

**Bank of Scotland plc €60bn Covered Bond programme**

| <b>Series Name</b>          | <b>18</b>                | <b>21</b>                | <b>22</b>                | <b>23</b>                | <b>25</b>                | <b>26</b>                | <b>29</b>                |
|-----------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| Issue Date                  | 21-Nov-2006              | 20-Feb-2007              | 8-Jun-2007               | 8-Jun-2007               | 26-Oct-2007              | 18-Dec-2007              | 22-May-2008              |
| Original Rating             | AAA/Aaa/AAA              | AAA/Aaa/AAA              | AAA/Aaa/AAA              | AAA/Aaa/AAA              | AAA/Aaa/AAA              | AAA/Aaa/AAA              | AAA/Aaa/AAA              |
| Current Rating              | AAA/Aaa/AAA              | AAA/Aaa/AAA              | AAA/Aaa/AAA              | AAA/Aaa/AAA              | AAA/Aaa/AAA              | AAA/Aaa/AAA              | AAA/Aaa/AAA              |
| Currency                    | EURO                     | USD                      | EURO                     | EURO                     | EURO                     | DKR                      | EURO                     |
| Issue Size                  | 2,000,000,000            | 3,000,000,000            | 1,250,000,000            | 1,250,000,000            | 2,000,000,000            | 4,680,000,000            | 1,196,000,000            |
| Issue Size (GBP equivalent) | 1,345,000,000            | 1,520,000,000            | 850,000,000              | 850,000,000              | 1,396,000,000            | 453,550,000              | 1,000,000,000            |
| Exchange Rate               | 1.4870                   | 1.9737                   | 1.4706                   | 1.4706                   | 1.4327                   | 10.3186                  | 0.8308                   |
| Outstanding Amount          | 2,000,000,000            | 3,000,000,000            | 1,250,000,000            | 1,250,000,000            | 2,000,000,000            | 4,680,000,000            | 1,196,000,000            |
| Coupon                      | Annual Fixed             | Semi Annual              | Annual Fixed             | Annual Fixed             | Annual Fixed             | 6MDDK CIBOR+0.29%        | 3M Euribor +1.75%        |
| Current Rate                | 3.87500%                 | 5.25000%                 | 4.62500%                 | 4.75000%                 | 4.75000%                 | 1.25250%                 | 0.88750%                 |
| Expected Maturity Date      | 15-Jan-14                | 21-Feb-17                | 08-Jun-17                | 08-Jun-22                | 26-Jan-15                | 02-Jan-18                | 22-Sep-19                |
| Final Legal Maturity Date   | 15-Jan-14                | 21-Feb-17                | 08-Jun-17                | 08-Jun-22                | 26-Jan-15                | 02-Jan-18                | 22-Sep-19                |
| Bond Structure              | Hard Bullet              | Hard Bullet              | Hard Bullet              | Hard Bullet              | Hard Bullet              | Hard Bullet              | Hard Bullet              |
| ISIN:                       | XS0275093473             | XS0286774483             | XS0304458721             | XS0304459026             | XS0327502224             | DK0030075023             | XS0366238375             |
| Stock Exchange Listing      | Luxembourg               | Luxembourg               | Luxembourg               | Luxembourg               | Luxembourg               | Luxembourg               | Luxembourg               |
| Reference Rate              | 0.0000%                  | 0.0000%                  | 0.0000%                  | 0.0000%                  | 0.0000%                  | 1.2525%                  | 0.0000%                  |
| Margin                      | 3.8750%                  | 5.2500%                  | 4.6250%                  | 4.7500%                  | 4.7500%                  | 0.2900%                  | 0.8875%                  |
| Current Bond Accrual Period | 15/01/2012 to 15/01/2013 | 21/02/2012 to 21/08/2013 | 08/06/2011 to 08/06/2012 | 08/06/2011 to 08/06/2012 | 26/01/2012 to 26/01/2013 | 03/01/2012 to 02/07/2012 | 02/02/2012 to 22/03/2012 |

| <i>Previous Payment Date</i>           |               |               |               |               |               |              |                  |
|--|---------------|---------------|---------------|---------------|---------------|--------------|------------------|
| Expected Coupon Amount                 | 52,118,750.00 | 39,900,000.00 | 39,312,500.00 | 40,375,000.00 | 66,310,000.00 | 3,517,437.73 | 778,082.19       |
| Coupon Amount Paid                     | 52,118,750.00 | 39,900,000.00 | 39,312,500.00 | 40,375,000.00 | 66,310,000.00 | 3,517,437.73 | 778,082.19       |
| Interest Shortfall                     | 0.00          | 0.00          | 0.00          | 0.00          | 0.00          | 0.00         | 0.00             |
| Cumulative Interest Shortfall          | 0.00          | 0.00          | 0.00          | 0.00          | 0.00          | 0.00         | 0.00             |
| Expected Principal Bond Payment        | 0.00          | 0.00          | 0.00          | 0.00          | 0.00          | 0.00         | 0.00             |
| Principal Bond Paid                    | 0.00          | 0.00          | 0.00          | 0.00          | 0.00          | 0.00         | 1,100,000,000.00 |
| Principal Shortfall                    | 0.00          | 0.00          | 0.00          | 0.00          | 0.00          | 0.00         | 0.00             |
| Cumulative Principal Shortfall         | 0.00          | 0.00          | 0.00          | 0.00          | 0.00          | 0.00         | 0.00             |
| Expected Intercompany interest amount  | 809,220.17    | 511,403.08    | 511,403.08    | 839,904.36    | 272,878.67    | 601,650.68   | 601,650.68       |
| Intercompany interest amount paid      | 809,220.17    | 511,403.08    | 511,403.08    | 839,904.36    | 272,878.67    | 601,650.68   | 601,650.68       |
| Expected Intercompany principal amount | 0.00          | 0.00          | 0.00          | 0.00          | 0.00          | 0.00         | 0.00             |
| Intercompany principal amount paid     | 0.00          | 0.00          | 0.00          | 0.00          | 0.00          | 0.00         | 0.00             |

| <b>Series Name</b>          | <b>33</b>                | <b>35</b>                | <b>36</b>                | <b>37</b>                | <b>38</b>                | <b>39</b>                | <b>40</b>                |
|-----------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| Issue Date                  | 20-Dec-2010              | 20-Dec-2010              | 20-Dec-2010              | 20-Dec-2010              | 20-Dec-2010              | 20-Dec-2010              | 20-Dec-2010              |
| Original Rating             | AAA/Aaa/AAA              | AAA/Aaa/AAA              | AAA/Aaa/AAA              | AAA/Aaa/AAA              | AAA/Aaa/AAA              | AAA/Aaa/AAA              | AAA/Aaa/AAA              |
| Current Rating              | AAA/Aaa/AAA              | AAA/Aaa/AAA              | AAA/Aaa/AAA              | AAA/Aaa/AAA              | AAA/Aaa/AAA              | AAA/Aaa/AAA              | AAA/Aaa/AAA              |
| Currency                    | GBP                      | EURO                     | EURO                     | EURO                     | GBP                      | EURO                     | EURO                     |
| Issue Size                  | 1,000,000,000            | 591,750,000              | 591,750,000              | 591,750,000              | 410,000,000              | 2,130,300,000            | 591,750,000              |
| Issue Size (GBP equivalent) | 1,000,000,000            | 500,000,000              | 500,000,000              | 500,000,000              | 410,000,000              | 1,800,000,000            | 500,000,000              |
| Exchange Rate               | 1.0000                   | 1.1835                   | 1.1835                   | 1.1835                   | 1.0000                   | 1.1835                   | 1.1835                   |
| Outstanding Amount          | 1,000,000,000            | 591,750,000              | 591,750,000              | 591,750,000              | 410,000,000              | 2,130,300,000            | 591,750,000              |
| Coupon                      | 3M LIBOR+1.28            | Annual Fixed             | Annual Fixed             | Annual Fixed             | 3M LIBOR+1.29%           | Annual Fixed             | Annual Fixed             |
| Current Rate                | 0.98544%                 | 3.37500%                 | 3.37500%                 | 3.37500%                 | 1.06238%                 | 3.62500%                 | 3.50000%                 |
| Expected Maturity Date      | 27-Jan-14                | 27-Oct-14                | 25-Jan-16                | 25-Jan-16                | 27-May-14                | 27-Jul-15                | 23-Aug-17                |
| Final Legal Maturity Date   | 27-Jan-14                | 27-Oct-14                | 25-Jan-16                | 25-Jan-16                | 27-May-14                | 27-Jul-15                | 23-Aug-17                |
| Bond Structure              | Hard Bullet              | Hard Bullet              | Hard Bullet              | Hard Bullet              | Hard Bullet              | Hard Bullet              | Hard Bullet              |
| ISIN:                       | XS0390482213             | XS0390479185             | XS0390479268             | XS0391406591             | XS0391406088             | XS0391405783             | XS0391405940             |
| Stock Exchange Listing      | Luxembourg               | Luxembourg               | Luxembourg               | Luxembourg               | Luxembourg               | Luxembourg               | Luxembourg               |
| Reference Rate              | 0.9854%                  | 0.0000%                  | 0.0000%                  | 0.0000%                  | 1.0339%                  | 0.0000%                  | 0.0000%                  |
| Margin                      | 1.2800%                  | 3.3750%                  | 3.3750%                  | 3.3750%                  | 1.2900%                  | 3.6250%                  | 3.5000%                  |
| Current Bond Accrual Period | 27/01/2012 to 27/04/2012 | 27/10/2011 to 27/10/2012 | 20/12/2011 to 20/12/2012 | 20/12/2011 to 20/12/2012 | 27/02/2012 to 28/05/2012 | 27/07/2011 to 27/07/2012 | 20/12/2011 to 20/12/2012 |

| <i>Previous Payment Date</i>           |              |               |               |               |              |               |               |
|--|--------------|---------------|---------------|---------------|--------------|---------------|---------------|
| Expected Coupon Amount                 | 5,710,150.14 | 16,875,000.00 | 16,875,000.00 | 16,875,000.00 | 2,375,451.04 | 65,250,000.00 | 17,500,000.00 |
| Coupon Amount Paid                     | 5,710,150.14 | 16,875,000.00 | 16,875,000.00 | 16,875,000.00 | 2,375,451.04 | 65,250,000.00 | 17,500,000.00 |
| Interest Shortfall                     | 0.00         | 0.00          | 0.00          | 0.00          | 0.00         | 0.00          | 0.00          |
| Cumulative Interest Shortfall          | 0.00         | 0.00          | 0.00          | 0.00          | 0.00         | 0.00          | 0.00          |
| Expected Principal Bond Payment        | 0.00         | 0.00          | 0.00          | 0.00          | 0.00         | 0.00          | 0.00          |
| Principal Bond Paid                    | 0.00         | 0.00          | 0.00          | 0.00          | 0.00         | 0.00          | 0.00          |
| Principal Shortfall                    | 0.00         | 0.00          | 0.00          | 0.00          | 0.00         | 0.00          | 0.00          |
| Cumulative Principal Shortfall         | 0.00         | 0.00          | 0.00          | 0.00          | 0.00         | 0.00          | 0.00          |
| Expected Intercompany interest amount  | 300,825.34   | 300,825.34    | 300,825.34    | 246,676.78    | 1,082,971.23 | 300,825.34    | 461,234.44    |
| Intercompany interest amount paid      | 300,825.34   | 300,825.34    | 300,825.34    | 246,676.78    | 1,082,971.23 | 300,825.34    | 461,234.44    |
| Expected Intercompany principal amount | 0.00         | 0.00          | 0.00          | 0.00          | 0.00         | 0.00          | 0.00          |
| Intercompany principal amount paid     | 0.00         | 0.00          | 0.00          | 0.00          | 0.00         | 0.00          | 0.00          |



|                             |                          |
|-----------------------------|--------------------------|
| <b>Series Name</b>          | <b>41</b>                |
| Issue Date                  | 24-Mar-2010              |
| Original Rating             | AAA/Aaa/AAA              |
| Current Rating              | AAA/Aaa/AAA              |
| Currency                    | EURO                     |
| Issue Size                  | 850,000,000              |
| Issue Size (GBP equivalent) | 766,615,000              |
| Exchange Rate               | 1.1088                   |
| Outstanding Amount          | 850,000,000              |
| Coupon                      | 3M Euribor+0.95%         |
| Current Rate                | 1.410002.486%            |
| Expected Maturity Date      | 24-Mar-16                |
| Final Legal Maturity Date   | 24-Mar-16                |
| Bond Structure              | Hard Bullet              |
| ISIN:                       | XS0496583468             |
| Stock Exchange Listing      | Luxembourg               |
| Reference Rate              | 1.4100%                  |
| Margin                      | 0.9500%                  |
| Current Bond Accrual Period | 28/12/2011 to 26/03/2012 |

|  |               |
|--|---------------|
| <i>Previous Payment Date</i>           |               |
| Expected Coupon Amount                 | 4,472,772.63  |
| Coupon Amount Paid                     | 4,472,772.63  |
| Interest Shortfall                     | 0.00          |
| Cumulative Interest Shortfall          | 0.00          |
| Expected Principal Bond Payment        | 0.00          |
| Principal Bond Paid                    | 0.00          |
| Principal Shortfall                    | 0.00          |
| Cumulative Principal Shortfall         | 0.00          |
| Expected Intercompany interest amount  | 13,980,640.32 |
| Intercompany interest amount paid      | 13,980,640.32 |
| Expected Intercompany principal amount | 0.00          |
| Intercompany principal amount paid     | 0.00          |

**SWAPS**

Covered Bond swaps

| Issue | Currency swap Provider | Rates              | Required Rating (S&P/Moody's Fitch) | Current Rating (S&P/Moody's Fitch) |
|-------|------------------------|--------------------|-------------------------------------|------------------------------------|
| 2     | Bank of Scotland plc   | GBP-LIBOR Flat     | A-1+/A1/F1                          | A-1/P-1/F-1                        |
| 4     | Bank of Scotland plc   | GBP-LIBOR Flat     | A-1+/A1/F1                          | A-1/P-1/F-1                        |
| 5     | Bank of Scotland plc   | GBP-LIBOR Flat     | A-1+/A1/F1                          | A-1/P-1/F-1                        |
| 6     | Bank of Scotland plc   | GBP-LIBOR Flat     | A-1+/A1/F1                          | A-1/P-1/F-1                        |
| 7     | Bank of Scotland plc   | GBP-LIBOR Flat     | A-1+/A1/F1                          | A-1/P-1/F-1                        |
| 9     | Bank of Scotland plc   | GBP-LIBOR Flat     | A-1+/A1/F1                          | A-1/P-1/F-1                        |
| 10    | Bank of Scotland plc   | GBP-LIBOR Flat     | A-1+/A1/F1                          | A-1/P-1/F-1                        |
| 11    | Bank of Scotland plc   | GBP-LIBOR Flat     | A-1+/A1/F1                          | A-1/P-1/F-1                        |
| 12    | Bank of Scotland plc   | 1m Libor +131.2bps | A-1 / A2 & P1 / A or F1             | A-1/A1&P-1/A or F1                 |
| 13    | Bank of Scotland plc   | 1m Libor +143.2bps | A-1 / A2 & P1 / A or F1             | A-1/A1&P-1/A or F1                 |
| 14    | Bank of Scotland plc   | 1m Libor +161.6bps | A-1 / A2 & P1 / A or F1             | A-1/A1&P-1/A or F1                 |
| 15    | Bank of Scotland plc   | GBP-LIBOR Flat     | A-1+/A1/F1                          | A-1/P-1/F-1                        |
| 16    | Bank of Scotland plc   | GBP-LIBOR Flat     | A-1+/A1/F1                          | A-1/P-1/F-1                        |
| 17    | Bank of Scotland plc   | GBP-LIBOR Flat     | A-1+/A1/F1                          | A-1/P-1/F-1                        |
| 18    | Bank of Scotland plc   | GBP-LIBOR Flat     | A-1+/A1/F1                          | A-1/P-1/F-1                        |
| 21    | Bank of Scotland plc   | GBP-LIBOR Flat     | A-1+/A1/F1                          | A-1/P-1/F-1                        |
| 22    | Bank of Scotland plc   | Flat               | A-1/A2 & P-1/A+ or F1               | A-1/A1&P-1/A or F1                 |
| 23    | Bank of Scotland plc   | Flat               | A-1/A2 & P-1/A+ or F1               | A-1/A1&P-1/A or F1                 |
| 25    | Bank of Scotland plc   | Flat               | A-1 / A2 & P1 / A or F1             | A-1/A1&P-1/A or F1                 |
| 26    | Bank of Scotland plc   | Flat               | A-1 / A2 & P1 / A or F1             | A-1/A1&P-1/A or F1                 |
| 33    | Bank of Scotland plc   | 1m Libor +128bps   | A-1 / A2 & P1 / A or F1             | A-1/A1&P-1/A or F1                 |
| 35    | Bank of Scotland plc   | GBP-LIBOR Flat     | A-1 / A2 & P1 / A or F1             | A-1/A1&P-1/A or F1                 |
| 36    | Bank of Scotland plc   | GBP-LIBOR Flat     | A-1 / A2 & P1 / A or F1             | A-1/A1&P-1/A or F1                 |
| 37    | Bank of Scotland plc   | GBP-LIBOR Flat     | A-1 / A2 & P1 / A or F1             | A-1/A1&P-1/A or F1                 |
| 38    | Bank of Scotland plc   | 1m Libor +129bps   | A-1 / A2 & P1 / A or F1             | A-1/A1&P-1/A or F1                 |
| 39    | Bank of Scotland plc   | GBP-LIBOR Flat     | A-1 / A2 & P1 / A or F1             | A-1/A1&P-1/A or F1                 |
| 40    | Bank of Scotland plc   | GBP-LIBOR Flat     | A-1 / A2 & P1 / A or F1             | A-1/A1&P-1/A or F1                 |
| 41    | Bank of Scotland plc   | Flat               | A-1 / A2 & P1 / A or F1             | A-1/A1&P-1/A or F1                 |

The notional amounts and LLP receive rates match the bond details shown in the 'Structure and Liability Details' section

**Bank of Scotland plc €60bn Covered Bond programme**

Collateral posted

| Currency SWAP Provider | Collateral Posted |
|------------------------|-------------------|
| Bank of Scotland plc   | £4,983,291,551.00 |

Covered Bond Swaps are contingent swaps and actual payments / receipts are triggered only after certain events related to the swap counterparty

Swaps have been written over a number of years using the rating agency criteria applicable at the time of that transaction. Therefore the terms of each swap can differ. The Current Triggers above reflect the level at which collateral is required to be posted.

Interest rate swap

| Interest rate swap provider | Notional Amount     | Calculation Period Swap Provider amount | Calculation period Issuer Amount | Collateral Posted |
|-----------------------------|---------------------|---|----------------------------------|-------------------|
| Bank of Scotland plc        | £ 35,564,078,276.05 | £ 53,836,375.54                         | £ 113,835,197.13                 | £ -               |

**Other Key Parties**

|                                    |                              |
|------------------------------------|------------------------------|
| Issuer                             | Bank of Scotland plc         |
| Servicer                           | Bank of Scotland plc         |
| Cash Manager                       | Bank of Scotland plc         |
| Account Bank                       | Bank of Scotland plc         |
| GIC Provider                       | Bank of Scotland plc         |
| Interest Rate Swap Provider        | Bank of Scotland plc         |
| Covered Bond Swap Provider         | Bank of Scotland plc         |
| Standby Account Bank               | Citibank NA, London branch   |
| Standby GIC Provider               | Citibank NA, London branch   |
| Issuing and Principal Paying Agent | Citibank NA, London branch   |
| Bond Trustee                       | Citicorp Trustee Company Ltd |
| Security Trustee                   | Citicorp Trustee Company Ltd |
| Group Guarantor                    | HBOS plc                     |

Bank of Scotland plc €60bn Covered Bond programme

Counterparty linked rating triggers

| Party to the Transaction       | Name  | Required Rating  | Rating (where required)    | Status                           | Consequences  |
|--------------------------------|---|--|----------------------------|----------------------------------|---|
|                                |   | (S&P / Moody's/Fitch)  | (S&P / Moody's/Fitch)      |                                  |   |
| Issuer                         | Bank of Scotland plc                        | 1. Short term <A-1+ / Long term <A1 or short term <P-1 / short term <F1+   | A-1; A1; P-1 / F1          | Breached                         | Pre-Maturity Liquidity Test breach resulting in need to fund the Pre-Maturity Liquidity Ledger in respect of upcoming hard bullet bonds and/or leading to the sale of Selected Loans  |
|                                |   | 2. Short term <A-1+ / Short term <P-1 / short term <F1+  | A-1 / P-1 / F1             | Breached                         | Issuer required to establish and maintain Reserve Fund  |
| Servicer                       | Bank of Scotland plc                        | Long term <BBB- / long term <Baa3 / long term < BBB-   | A+ / A1 / A                | Not breached                     | Servicer required to use reasonable efforts to enter, within 60 days, into a back-up or master servicing agreement with a third party with suitable experience and credentials  |
| Cash Manager or Issuer         | Bank of Scotland plc / Bank of Scotland plc | Long term <BBB- / long term <Baa3 / long term < BBB-   | A+ / A1 / A                | Not breached                     | Asset Monitor required to report on arithmetic accuracy of Cash Manager's calculations more frequently  |
| Account Bank                   | Bank of Scotland plc                        | Short term A-1+ / short term <P-1 / short term <F1   | A-1 / P-1 / F1             | Not breached (S&P rating waived) | Termination Event pursuant to the Bank Account Agreement, unless such downgrade is remedied in accordance with the terms of the Bank Account Agreement  |
| Seller                         | Bank of Scotland plc                        | Long term <BBB- / long term <Baa3 / long term < BBB-   | A+ / A1 / A                | Not breached                     | Legal title to the loans and their Related Security transferred to LLP  |
| Covered Bonds Swap Provider(s) | Bank of Scotland plc                        | Counterparty credit ratings are downgraded by a Rating Agency below the required ratings specified in the relevant swap agreement. | A+; A-1 / A1; P-1 / A / F1 | Some breached; others not        | Swap provider to provide collateral for its obligations, procure another entity to become a co-obligor or guarantor, arrange for its obligations to be transferred to a replacement counterparty or terminate the swap. Where applicable, Counterparty is posting collateral. |
| Interest Rate Swap Provider    | Bank of Scotland plc                        | Counterparty credit ratings are downgraded by a Rating Agency below the required ratings specified in the relevant swap agreement. | A+; A-1 / A1; P-1 / A / F2 | Not breached                     | Swap provider to provide collateral for its obligations, arrange for its obligations to be transferred to a replacement counterparty or terminate the swap  |

## Issuer and LLP Events of Default

| Party  | Trigger Event  | Status       | Consequences   |
|--------|--|--------------|--|
| Issuer | Any of the events listed at Condition 10(a) (Events of Default, Acceleration and Enforcement – HBOS Events of Default) occurs. See the section of the Prospectus entitled "Terms and Conditions of the Covered Bonds" for more information.  | Not breached | <ul style="list-style-type: none"> <li>Covered Bonds become accelerated as against the Issuer (but not against the LLP).</li> <li>Notice to Pay served on the LLP.</li> <li>Following service of Notice to Pay, LLP starts making payments of Guaranteed Amounts under the Covered Bonds.</li> </ul>   |
| LLP    | Any of the events listed at Condition 10(b) of the Prospectus ( <i>Events of Default and Enforcement – LLP Events of Default</i> ) occurs and an LLP Acceleration Notice is served. See the section of the Prospectus entitled " Terms and Conditions of the Covered Bonds " for more information. | Not breached | <ul style="list-style-type: none"> <li>Security becomes enforceable.</li> <li>Covered Bonds will become immediately due and repayable as against the Issuer (if not already the case) and also against the LLP.</li> <li>Moneys received or recovered by the Security Trustee will be applied in accordance with the Post-Enforcement Priority of Payments.</li> </ul> |

## Glossary

| Term   | Definition   |
|--|--|
| Months in Arrears  | The number of months in arrears is based on the most recent payments due. It is not the amount of arrears/current payment due. The arrears table on Page 1 includes the repossession figures.  |
| Accounts in arrears  | A loan is identified as being in arrears where an amount equal to or greater than a full month's contractual payment is outstanding at the end of the month.   |
| Current LTV  | Current LTV is calculated using the current outstanding mortgage balance over the latest valuation amount  |
| Indexed LTV  | Indexed LTV is calculated using the current outstanding mortgage balance over the Halifax House Price Index for that property. This is updated quarterly in January, April, July and October.  |
| 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 on the mortgage account.   |
| Region   | Reported Regions are Nomenclature of Units for Territorial Statistics 1 classifications (NUTS1)  |
| Type of loan   | The "Type of Loan", "Fixed Rate" and "Year in which Current Fixed rate period ends" 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 other active product holdings which may or may not be the same type as the main product holding.  |
| PPR  | Monthly PPR reflects the aggregate of scheduled and unscheduled principal receipts, including the proceeds from loan repurchases by the Seller. It should be noted that in previous reports this was labelled CPR. Constant Prepayment Rate (CPR) reflects payments received in addition to scheduled principal repayments and is not currently currently available.   |
| Outstanding Principal Balance  | the aggregate principal balance of the loans including (without double counting) the initial advance, any further advance, any flexible 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 at the relevant date  |
| Capitalised arrears  | is a reclassification of an account where the 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 payment  |
| Default  | A loan is not defined as defaulted until the property relating to that loan has been taken into possession. A loan is not charged off as uncollectable until the property relating to that loan has been disposed of following default.  |
| <b>The following are definitions specifically relating to the Asset Coverage test only</b> |  |
| Original Valuation   | in relation to any property means the value given to that Property by the most recent valuation addressed to the Seller of the loan secured over the Property  |
| Indexed Valuation  | (a) where the Original Valuation of the property is equal to or greater than the Halifax Price Indexed Valuation as at that date, the Halifax Price indexed Valuation<br>(b) where the Original Valuation of the property is less than the Halifax Price Indexed Valuation as at that date, the Original Valuation plus 85% of the difference between the Original Valuation and the Halifax Price Indexed Valuation |