

**Penarth Master Issuer plc — Public Surveillance Report**  
**Combined Series Report For IPD Ending: 18 May 2011**

**Key Parties**

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

**Notes Outstanding**

Note	Amount	Original Rating Moody's/S&P/Fitch	Scheduled Redemption Date	Reference Rate	Margin
2010 A1	£1,000,000,000	Aaa/AAA/AAA	18 May 2013	0.69525%	0.85%
2010 A2	£500,000,000	Aaa/AAA/AAA	18 May 2015	0.62250%	0.85%
2010 A3	€250,000,000	Aaa/AAA/AAA	18 August 2013	1.15600%	0.78%
2010 B1	£200,000,000	Aa3/A/A+	18 May 2015	0.62250%	1.00%
2010 C1	£228,000,000	Baa1/BBB+	18 May 2017	0.62250%	1.50%
2010 D1	£240,000,000	Not rated	18 May 2017	0.62250%	1.60%
2010-2 A1	£500,000,000	Aaa/AAA/AAA	18 January 2014	0.62250%	0.95%
2010-2 A2	\$750,000,000	Aaa/AAA/AAA	18 December 2012	0.21585%	0.75%
2010-2 A3	£300,000,000	Aaa/AAA/AAA	18 December 2014	0.62250%	1.05%
2010-2 B1	£330,000,000	Aa3/A/A+	18 February 2015	0.62250%	1.25%
2010-2 C1	£175,000,000	Baa1/BBB+	18 February 2015	0.62250%	1.50%
2010-2 D1	£185,000,000	Not rated	18 February 2015	0.62250%	1.60%

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

Class and Loan Note	To SWAP provider		To Investor	
	Principal	Interest	Principal	Interest
Class A: Series 2010-1 A1	£0.00	£0.00	£0.00	£1,270,071.22
Class A: Series 2010-1 A2	£0.00	£0.00	£0.00	£605,136.99
Class A: Series 2010-1 A3	£0.00	£296,771.28	£0.00	€ 403,333.33
Class A: Series 2010-2 A1	£0.00	£0.00	£0.00	£646,232.88
Class A: Series 2010-2 A2	£0.00	£670,625.04	£0.00	\$603,656.25
Class A: Series 2010-2 A3	£0.00	£0.00	£0.00	£412,397.26
Class B: Series 2010-1 B1	£0.00	£0.00	£0.00	£266,712.33
Class B: Series 2010-2 B1	£0.00	£0.00	£0.00	£507,883.56
Class C: Series 2010-1 C1	£0.00	£0.00	£0.00	£397,750.68
Class C: Series 2010-2 C1	£0.00	£0.00	£0.00	£305,291.10
Class D: Series 2010-1 D1	£0.00	£0.00	£0.00	£438,410.96
Class D: Series 2010-2 D1	£0.00	£0.00	£0.00	£337,941.78

**B. Trust Level Data**

BOP Principal Receivables	£6,511,828,506.23
EOP Principal Receivables	£6,913,157,904.69
Acquired Interchange Amount	£9,186,950.30
Delinquent Aggregate Account Principal Balance	
30 - 59 days delinquent	£76,839,171.13
60 - 89 days delinquent	£60,693,609.17
90 - 119 days delinquent	£44,311,872.46
120-149 days delinquent	£39,736,819.80
150 + days delinquent	£39,616,599.26
Non-Delinquent	£6,651,959,832.87
Delinquent Principal Receivables as % of EOP Principal Receivables	
30 - 59 days delinquent	1.11%
60 - 89 days delinquent	0.88%
90 - 119 days delinquent	0.64%
120-149 days delinquent	0.57%
150 + days delinquent	0.57%
Principal Payment Rate	15.53%
Monthly Payment Rate*	16.07%

**C. Portfolio Yield and Expense Rates**

Initial Principal Amount	£4,347,090,000.00
Investor Interest	62.55%
Transferor Interest	37.45%
	<u>100.00%</u>
	<b>Total</b>
Gross Yield Rate	18.24%
Less:	
Charge Off Rate	6.20%
<b>Portfolio Yield</b>	<b>12.03%</b>
Less:	
Expense Rate	2.73%
<b>Excess Available Funds Percentage</b>	<b>9.30%</b>
- 1 Month Previous	12.55%
- 2 Month Previous	12.27%
- 3 Month Average	11.37%

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

^ The Payment Rate numerator excludes non-cash entries.