

Penarth Master Issuer plc — Public Surveillance Report
Combined Series Report For IPD Ending: 18 March 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	0.62915%	0.85%
2010 A2	£500,000,000	Aaa/AAA/AAA	18 May 2015	0.61088%	0.85%
2010 A3	€250,000,000	Aaa/AAA/AAA	18 August 2013	0.89200%	0.78%
2010 B1	£200,000,000	Aa3/A/A+	18 May 2015	0.61088%	1.00%
2010 C1	£228,000,000	Baa1/BBB+	18 May 2017	0.61088%	1.50%
2010 D1	£240,000,000	Not rated	18 May 2017	0.61088%	1.60%
2010-2 A1	£500,000,000	Aaa/AAA/AAA	18 January 2014	0.63652%	0.95%
2010-2 A2	\$750,000,000	Aaa/AAA/AAA	18 December 2012	0.26300%	0.75%
2010-2 A3	£300,000,000	Aaa/AAA/AAA	18 December 2014	0.61088%	1.05%
2010-2 B1	£330,000,000	Aa3/A/A+	18 February 2015	0.61088%	1.25%
2010-2 C1	£175,000,000	Baa1/BBB+	18 February 2015	0.61088%	1.50%
2010-2 D1	£185,000,000	Not rated	18 February 2015	0.61088%	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	£1,134,690.02
Class A: Series 2010-1 A2	£0.00	£0.00	£0.00	£560,337.53
Class A: Series 2010-1 A3	£0.00	£275,148.91	£0.00	€ 325,111.11
Class A: Series 2010-2 A1	£0.00	£0.00	£0.00	£1,086,657.53
Class A: Series 2010-2 A2	£0.00	£621,611.79	£0.00	\$590,916.67
Class A: Series 2010-2 A3	£0.00	£0.00	£0.00	£382,229.92
Class B: Series 2010-1 B1	£0.00	£0.00	£0.00	£247,148.71
Class B: Series 2010-2 B1	£0.00	£0.00	£0.00	£487,096.52
Class C: Series 2010-1 C1	£0.00	£0.00	£0.00	£369,201.59
Class C: Series 2010-2 C1	£0.00	£0.00	£0.00	£283,378.41
Class D: Series 2010-1 D1	£0.00	£0.00	£0.00	£407,044.21
Class D: Series 2010-2 D1	£0.00	£0.00	£0.00	£313,763.24

B. Trust Level Data

BOP Principal Receivables	£6,820,176,814.11
EOP Principal Receivables	£6,688,305,002.47
Acquired Interchange Amount	£8,360,940.36
Delinquent Aggregate Account Principal Balance	
30 - 59 days delinquent	£77,455,534.87
60 - 89 days delinquent	£54,703,488.99
90 - 119 days delinquent	£46,214,192.44
120-149 days delinquent	£39,898,966.35
150 + days delinquent	£37,767,043.22
Non-Delinquent	£6,432,265,776.60
Delinquent Principal Receivables as % of EOP Principal Receivables	
30 - 59 days delinquent	1.16%
60 - 89 days delinquent	0.82%
90 - 119 days delinquent	0.69%
120-149 days delinquent	0.60%
150 + days delinquent	0.56%
Principal Payment Rate	15.78%
Monthly Payment Rate*	16.44%

C. Portfolio Yield and Expense Rates

Initial Principal Amount	£4,347,090,000.00
Investor Interest	63.74%
Transferor Interest	36.26%
	<u>100.00%</u>
	Total
Gross Yield Rate	21.38%
Less:	
Charge Off Rate	6.19%
Portfolio Yield	15.19%
Less:	
Expense Rate	2.92%
Excess Available Funds Percentage	12.27%
- 1 Month Previous	13.26%
- 2 Month Previous	16.74%
- 3 Month Average	14.09%

* 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.