

Penarth Master Issuer plc —Public Surveillance Report
Combined Series Report For IPD Ending: 18 July 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	0.62750%	0.85%
2010 A2	£500,000,000	Aaa/AAA/AAA	18 May 2015	0.62750%	0.85%
2010 A3	£250,000,000	Aaa/AAA/AAA	18 August 2013	1.28900%	0.78%
2010 B1	£200,000,000	Aa3/A/A+	18 May 2015	0.62750%	1.00%
2010 C1	£228,000,000	Baa1/BBB+	18 May 2017	0.62750%	1.50%
2010 D1	£240,000,000	Not rated	18 May 2017	0.62750%	1.60%
2010-2 A1	£500,000,000	Aaa/AAA/AAA	18 January 2014	0.62750%	0.95%
2010-2 A2	£750,000,000	Aaa/AAA/AAA	18 December 2012	0.18580%	0.75%
2010-2 A3	£300,000,000	Aaa/AAA/AAA	18 December 2014	0.62750%	1.05%
2010-2 B1	£330,000,000	Aa3/A/A+	18 February 2015	0.62750%	1.25%
2010-2 C1	£175,000,000	Baa1/BBB+	18 February 2015	0.62750%	1.50%
2010-2 D1	£185,000,000	Not rated	18 February 2015	0.62750%	1.60%
2011-1 A1	£750,000,000	Aaa/AAA/AAA	18 May 2013	0.20018%	0.65%
2011-1 A2	£125,000,000	Aaa/AAA/AAA	18 May 2015	0.64857%	1.00%

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	£1,160,436.73
Class A: Series 2010-1 A2	£0.00	£0.00	£0.00	£566,712.33
Class A: Series 2010-1 A3	£0.00	£277,777.24	£0.00	€ 402,305.56
Class A: Series 2010-2 A1	£0.00	£0.00	£0.00	£605,068.49
Class A: Series 2010-2 A2	£0.00	£627,769.08	£0.00	£545,883.33
Class A: Series 2010-2 A3	£0.00	£0.00	£0.00	£386,054.79
Class A: Series 2011-1 A1	£0.00	£823,815.55	£0.00	£708,483.33
Class A: Series 2011-1 A2	£0.00	£0.00	£0.00	£225,832.05
Class B: Series 2010-1 B1	£0.00	£0.00	£0.00	£249,698.63
Class B: Series 2010-2 B1	£0.00	£0.00	£0.00	£475,290.41
Class C: Series 2010-1 C1	£0.00	£0.00	£0.00	£372,108.49
Class C: Series 2010-2 C1	£0.00	£0.00	£0.00	£285,609.59
Class D: Series 2010-1 D1	£0.00	£0.00	£0.00	£410,104.11
Class D: Series 2010-2 D1	£0.00	£0.00	£0.00	£316,121.92

B. Trust Level Data

BOP Principal Receivables	£6,832,360,819.09
EOP Principal Receivables	£6,746,944,379.72

Acquired Interchange Amount £9,413,146.52

Delinquent Aggregate Account Principal Balance

30 - 59 days delinquent	£69,178,004.97
60 - 89 days delinquent	£51,964,323.87
90 - 119 days delinquent	£47,984,549.45
120-149 days delinquent	£45,144,433.59
150 + days delinquent	£39,890,686.45
Non-Delinquent	£6,492,782,381.39

Delinquent Principal Receivables as % of EOP Principal Receivables

30 - 59 days delinquent	1.03%
60 - 89 days delinquent	0.77%
90 - 119 days delinquent	0.71%
120-149 days delinquent	0.67%
150 + days delinquent	0.59%

Principal Payment Rate	17.93%
Monthly Payment Rate*	18.51%

C. Portfolio Yield and Expense Rates

	1-7 June	8-30 June
Initial Principal Amount	£4,347,090,000.00	£4,931,423,660.00
Investor Interest	63.63%	72.89%
Transferor Interest	36.37%	27.11%
	<u>100.00%</u>	<u>100.00%</u>
		Total
Gross Yield Rate		21.15%
Less:		
Charge Off Rate		6.95%
Portfolio Yield		14.20%
Less:		
Expense Rate		2.73%
Excess Available Funds Percentage		11.47%
- 1 Month Previous		11.75%
- 2 Month Previous		9.30%
- 3 Month Average		10.84%

Notes:

- A percentage Reset Date occurred in the month on 8 June following the issuance of notes 2011-1 A1 and 2011-1 A2.
- The Weighted Average Investor Interest (used as the denominator to calculate investor yields) has been calculated as £4,795,079,139.33.

* 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.