

Penarth Master Issuer plc —Public Surveillance Report
Combined Series Report For IPD Ending: 18 October 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	0.67481%	0.85%
2010 A2	£500,000,000	Aaa/AAA/AAA	18 May 2015	0.67481%	0.85%
2010 A3	€250,000,000	Aaa/AAA/AAA	18 August 2013	1.34000%	0.78%
2010 B1	£200,000,000	Aa3/A/A+	18 May 2015	0.67481%	1.00%
2010 C1	£228,000,000	Baa1/BBB+	18 May 2017	0.67481%	1.50%
2010 D1	£240,000,000	Not rated	18 May 2017	0.67481%	1.60%
2010-2 A1	£500,000,000	Aaa/AAA/AAA	18 January 2014	0.67481%	0.95%
2010-2 A2	\$750,000,000	Aaa/AAA/AAA	18 December 2012	0.22994%	0.75%
2010-2 A3	£300,000,000	Aaa/AAA/AAA	18 December 2014	0.67481%	1.05%
2010-2 B1	£330,000,000	Aa3/A/A+	18 February 2015	0.67481%	1.25%
2010-2 C1	£175,000,000	Baa1/BBB+	18 February 2015	0.67481%	1.50%
2010-2 D1	£185,000,000	Not rated	18 February 2015	0.67481%	1.60%
2011-1 A1	\$750,000,000	Aaa/AAA/AAA	18 May 2013	0.22994%	0.65%
2011-1 A2	£125,000,000	Aaa/AAA/AAA	18 May 2015	0.67481%	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	£1,240,435.50
Class A: Series 2010-1 A2	£0.00	£0.00	£0.00	£605,746.44
Class A: Series 2010-1 A3	£0.00	£295,446.78	£0.00	€ 426,944.44
Class A: Series 2010-2 A1	£0.00	£0.00	£0.00	£645,472.47
Class A: Series 2010-2 A2	£0.00	£668,342.52	£0.00	\$592,047.08
Class A: Series 2010-2 A3	£0.00	£0.00	£0.00	£411,119.10
Class A: Series 2011-1 A1	£0.00	£606,841.10	£0.00	\$531,630.42
Class A: Series 2011-1 A2	£0.00	£0.00	£0.00	£166,333.87
Class B: Series 2010-1 B1	£0.00	£0.00	£0.00	£266,134.19
Class B: Series 2010-2 B1	£0.00	£0.00	£0.00	£504,669.36
Class C: Series 2010-1 C1	£0.00	£0.00	£0.00	£393,968.32
Class C: Series 2010-2 C1	£0.00	£0.00	£0.00	£302,387.97
Class D: Series 2010-1 D1	£0.00	£0.00	£0.00	£433,771.99
Class D: Series 2010-2 D1	£0.00	£0.00	£0.00	£334,365.91

B. Trust Level Data

BOP Principal Receivables	£6,586,953,955.59
EOP Principal Receivables	£6,494,224,769.34

Acquired Interchange Amount £9,367,655.40

Delinquent Aggregate Account Principal Balance

30 - 59 days delinquent	£63,808,672.15
60 - 89 days delinquent	£50,396,210.03
90 - 119 days delinquent	£43,497,545.60
120-149 days delinquent	£39,555,922.76
150 + days delinquent	£38,333,765.55
Non-Delinquent	£6,258,632,653.25

Delinquent Principal Receivables as % of EOP Principal Receivables

30 - 59 days delinquent	0.98%
60 - 89 days delinquent	0.78%
90 - 119 days delinquent	0.67%
120-149 days delinquent	0.61%
150 + days delinquent	0.59%
Principal Payment Rate	17.80%
Monthly Payment Rate*	18.36%

C. Portfolio Yield and Expense Rates

Investor Interest	£4,931,423,660.00	74.87%
Transferor Interest	£1,655,530,295.59	25.13%
BOP Principal Receivables	£6,586,953,955.59	100.00%
		Total
Gross Yield Rate		21.32%
Less:		
Charge Off Rate		8.05%
Portfolio Yield		13.27%
Less:		
Expense Rate		2.76%
Excess Available Funds Percentage		10.51%
- 1 Month Previous		13.03%
- 2 Month Previous		11.18%
- 3 Month Average		11.57%

* 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.