

**Penarth Master Issuer plc —Public Surveillance Report**  
**Combined Series Report For IPD Ending: 20 August 2012**

**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	0.47125%	0.85%
2010 A3	€250,000,000	Aaa/AAA/AAA	18 August 2013	0.18700%	0.78%
2010 B1	£200,000,000	Aa3/A/A+	18 May 2015	0.57975%	1.00%
2010 C1	£228,000,000	Baa1/BBB+	18 May 2017	0.57975%	1.50%
2010 D1	£240,000,000	Not rated	18 May 2017	0.57975%	1.60%
2010-2 A1	£500,000,000	Aaa/AAA/AAA	18 January 2014	0.57975%	0.95%
2010-2 A2	\$750,000,000	Aaa/AAA/AAA	18 December 2012	0.24775%	0.75%
2010-2 A3	£300,000,000	Aaa/AAA/AAA	18 December 2014	0.57975%	1.05%
2010-2 B1	£330,000,000	Aa3/A/A+	18 February 2015	0.57975%	1.25%
2010-2 C1	£175,000,000	Baa1/BBB+	18 February 2015	0.57975%	1.50%
2010-2 D1	£185,000,000	Not rated	18 February 2015	0.57975%	1.60%
2011-1 A1	\$750,000,000	Aaa/AAA/AAA	18 May 2013	0.24775%	0.65%
2011-1 A2	£125,000,000	Aaa/AAA/AAA	18 May 2015	0.57975%	1.00%
2011-2 A1	\$600,000,000	Aaa/AAA/AAA	18 November 2013	0.24775%	0.75%
2012-1 A1	\$750,000,000	Aaa/AAA/AAA	18 March 2014	0.24775%	0.57%

**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	£1,155,193.94
Class A: Series 2010-1 A3	£0.00	£318,480.57	£0.00	€ 221,604.17
Class A: Series 2010-2 A1	£0.00	£0.00	£0.00	£691,530.82
Class A: Series 2010-2 A2	£0.00	£719,021.58	£0.00	\$685,953.13
Class A: Series 2010-2 A3	£0.00	£0.00	£0.00	£442,041.78
Class A: Series 2011-1 A1	£0.00	£651,067.71	£0.00	\$617,203.13
Class A: Series 2011-1 A2	£0.00	£0.00	£0.00	£178,533.39
Class A: Series 2011-2 A1	£0.00	£560,446.13	£0.00	\$548,762.50
Class A: Series 2012-1 A1	£0.00	£601,302.86	£0.00	\$562,203.13
Class B: Series 2010-1 B1	£0.00	£0.00	£0.00	£285,653.42
Class B: Series 2010-2 B1	£0.00	£0.00	£0.00	£545,917.19
Class C: Series 2010-1 C1	£0.00	£0.00	£0.00	£428,713.40
Class C: Series 2010-2 C1	£0.00	£0.00	£0.00	£329,056.34
Class D: Series 2010-1 D1	£0.00	£0.00	£0.00	£472,975.89
Class D: Series 2010-2 D1	£0.00	£0.00	£0.00	£364,585.58

**B. Trust Level Data**

BOP Principal Receivables	£6,649,449,646.47
EOP Principal Receivables	£6,540,784,850.55
Acquired Interchange Amount	£9,755,553.45
Delinquent Aggregate Account Principal Balance	
30 - 59 days delinquent	£54,450,934.77
60 - 89 days delinquent	£40,176,455.34
90 - 119 days delinquent	£20,375,430.21
120-149 days delinquent	£14,281,361.78
150 + days delinquent	£20,024,231.09
Non-Delinquent	£6,391,476,437.36
Delinquent Principal Receivables as % of EOP Principal Receivables	
30 - 59 days delinquent	0.83%
60 - 89 days delinquent	0.61%
90 - 119 days delinquent	0.31%
120-149 days delinquent	0.22%
150 + days delinquent	0.31%
Principal Payment Rate	20.29%
Monthly Payment Rate*	20.76%

**C. Portfolio Yield and Expense Rates**

	Beginning of Period	
Investor Interest	£4,758,120,383.33	71.56%
Transferor Interest	£1,891,329,263.14	28.44%
Principal Receivables	£6,649,449,646.47	100.00%
		<b>Total</b>
Gross Yield Rate		21.65%
Less:		
Charge Off Rate		6.53%
<b>Portfolio Yield</b>		<b>15.12%</b>
Less:		
Expense Rate		2.78%
<b>Excess Available Funds Percentage</b>		<b>12.34%</b>
- 1 Month Previous		9.44%
- 2 Month Previous		9.29%
- 3 Month Average		10.36%

\* 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.