

Penarth Master Issuer plc - Monthly Report October 2012

Combined Series Report For IPD Ending: 19 November 2012

Reporting Date 17 November 2012
 Reporting Period 01 October 2012 - 31 October 2012
 Interest Payment Date 19 November 2012

Contact Details

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Key Parties

Name	Role
Receivables Trustee	Penarth Receivables Trustee
Depositors	Penarth Funding 1 Ltd
Transferor	Bank of Scotland plc
Material Originator	Lloyds TSB Bank plc
Servicer	Bank of Scotland plc
Cash Manager	Bank of Scotland plc
Account Bank	Bank of Scotland plc
	Lloyds TSB Bank plc
Issuer	Penarth Master Issuer plc
Issuing Entity	Penarth Funding 1 Ltd
Issuer Corporate Servicers Provider	Structured Finance
Security Trustee	Deutsche Bank Trust
Note Trustee	Deutsche Bank Trust
Principal Paying Agent	Deutsche Bank AG, London
Paying Agent	Deutsche Bank AG, London
Agent Bank	Deutsche Bank AG, London
Calculation Agent	Deutsche Bank AG, London
Registrar	Deutsche Bank Trust
Exchange Agent	Deutsche Bank Trust
US Paying Agent	Deutsche Bank Trust
Arranger & Dealer	Lloyds TSB Bank plc
Swap providers	Bank of Scotland plc
	Natixis, London
	Wells Fargo Bank, N.A.

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Credit Card Trust Portfolio Data

Trust Receivables

BOP Principal Receivables	£ 6,346,953,901.20
Principal Collections	- £ 1,455,471,396.68
Customer New Advances & Adjustments	£ 1,367,386,021.47
New Principal Additions	£ 247,908,669.75
Removals - breach of warranty	£ 0.00
Charge Offs	- £ 33,828,303.13
EOP Principal Receivables	£ 6,472,948,892.61

	BOP Receivables	% Share	Minimum Requirement
Investor Share	£ 3,654,860,301.67	55.42%	
Sellers Share	£ 2,940,002,269.28	44.58%	6%
Principal Receivables	£ 6,594,862,570.95	100.00%	

Principal Payment Rate	22.42%	The Payment Rate numerator excludes non-cash collections
Monthly Payment Rate	22.84%	Includes Principal and Finance Charges

Investor Yield and Expense Rate

Gross Yield Rate	23.09%
Less Charge off Rate	6.06%
Portfolio Yield	17.03%
Less Expense Rate	2.61%
Excess Available Funds Percentage	14.42%

Delinquent Principal Receivables	EOP Principal Receivables	% of Total Principal Receivables	Number of Accounts	% of Total Accounts
30 - 59 days delinquent	£ 53,794,474.65	0.83%	21,050	0.33%
60 - 89 days delinquent	£ 37,879,640.47	0.59%	12,914	0.20%
90 - 119 days delinquent	£ 18,571,778.93	0.29%	7,200	0.11%
120-149 days delinquent	£ 12,143,199.58	0.19%	4,919	0.08%
150 -179 days delinquent	£ 9,596,060.32	0.15%	4,051	0.06%
180+ days delinquent	£ 6,428,313.05	0.10%	4,143	0.06%
Non-Delinquent	£ 6,334,535,425.61	97.86%	6,402,795	99.16%
Total	£ 6,472,948,892.61	100.00%	6,457,072	100.00%

Note : On the 1st October £401m of receivables were removed and replaced with eligible receivables. The receivables removed were on accounts LBG is planning to divest in 2013, as directed by European regulators as a condition of the bank receiving state support in 2009, this is not expected to impact Trust performance.

Unaudited Stratification Tables as at 31 October 2012

Composition by Account Balance	Aggregate Account Balance	% of Total Aggregate Account Balance	Number of Accounts	% of Total Accounts
Credit Balance	- £ 23,004,238.21	-0.33%	886,258	13.73%
No Balance	£ 0.00	0.00%	1,834,782	28.42%
£0.01 - £5,000.00	£ 3,671,033,853.60	53.17%	3,346,619	51.83%
£5,000.01 - £10,000.00	£ 2,024,134,943.58	29.32%	290,943	4.51%
£10,000.01 - £15,000.00	£ 1,156,467,650.87	16.75%	93,916	1.45%
£15,000.01 - £20,000.00	£ 68,050,900.99	0.99%	4,244	0.07%
£20,000.01 or more	£ 7,865,306.13	0.11%	310	0.00%
Total	£ 6,904,548,416.96	100.00%	6,457,072	100.00%

Composition by Credit Limit	Aggregate Account Balance	% of Total Aggregate Account Balance	Number of Accounts	% of Total Accounts
Less than £5,000.00	£ 2,020,850,423.22	29.27%	3,876,620	60.04%
£5,000.01 - £10,000.00	£ 2,276,466,057.29	32.97%	1,661,566	25.73%
£10,000.01 - £15,000.00	£ 2,485,271,965.35	35.99%	883,627	13.68%
£15,000.01 - £20,000.00	£ 107,056,710.70	1.55%	32,620	0.51%
£20,000.01 or more	£ 14,903,260.40	0.22%	2,639	0.04%
Total	£ 6,904,548,416.96	100.00%	6,457,072	100.00%

Composition by Account Age	Aggregate Account Balance	% of Total Aggregate Account Balance	Number of Accounts	% of Total Accounts
Not More Than 6 Months	£ 0.00	0.00%	-	0.00%
Over 6 Months to 12 Months	£ 281,159,931.81	4.07%	196,084	3.04%
Over 12 Months to 24 Months	£ 488,897,461.65	7.08%	692,884	10.73%
Over 24 Months to 36 Months	£ 474,588,086.99	6.87%	635,046	9.83%
Over 36 Months to 48 Months	£ 486,690,179.40	7.05%	568,438	8.80%
Over 48 Months to 60 Months	£ 677,539,093.83	9.81%	638,239	9.88%
Over 60 Months to 72 Months	£ 572,829,990.84	8.30%	483,022	7.48%
Over 72 Months	£ 3,922,843,672.44	56.82%	3,243,359	50.23%
Total	£ 6,904,548,416.96	100.00%	6,457,072	100.00%

Geographic Distribution of Accounts	Aggregate Account Balance	% of Total Aggregate Account Balance	Number of Accounts	% of Total Accounts
East Anglia	£ 829,274,576.51	12.01%	741,241	11.48%
London	£ 504,126,190.92	7.30%	427,255	6.62%
Midlands	£ 826,848,420.75	11.98%	844,258	13.07%
North East England	£ 870,761,426.48	12.61%	859,703	13.31%
North West England	£ 785,936,882.27	11.38%	763,611	11.83%
Scotland	£ 705,064,211.99	10.21%	651,130	10.08%
South Central England	£ 765,399,034.79	11.09%	670,142	10.38%
South East England	£ 696,032,823.91	10.08%	585,640	9.07%
South West England	£ 623,143,188.01	9.03%	628,516	9.73%
Wales	£ 287,013,557.50	4.16%	274,435	4.25%
Other	£ 10,948,103.83	0.16%	11,141	0.17%
Total	£ 6,904,548,416.96	100.00%	6,457,072	100.00%

Waterfall

Revenue Waterfall

Trust Finance Charge Collections	£ 128,197,792.62
Sellers Share	£ 56,727,037.61
Investor Share	£ 71,470,755.01
Funding 1	
Finance Charge Collections	£ 59,631,700.77
Interchange	£ 5,955,751.20
Recoveries	£ 4,606,172.39
Investment proceeds	£ 403,483.12
Principal Funding Account Interest	£ 327,283.14
Interest and earnings accrued on Accumulation Reserve	£ 19,947.60
Accumulation reserve Draw Amount	£ 526,416.79
Total LNI Available Funds	£ 71,470,755.01
Application of Funds:	
Senior Cost Items	£ 44,636.74
Monthly Distribution Amount	£ 6,075,378.05
Servicer Payment	£ 3,012,953.21
Aggregate Investor Default Amount	£ 18,747,581.29
Excess Available Funds	£ 43,590,205.72
Expenses Loan	£ 0.00
Accumulation reserve funding	£ 11,776,416.79
Junior Costs	£ 1,000.00
Excess Spread	£ 31,812,788.93

Principal Waterfall

Trust Principal Collections	£ 1,455,471,396.68
Distributed to Funding 1	£ 95,701,971.67
Funding 1	
Principal Collections	£ 95,701,971.67
Investor Defaults transferred from LNI Available Funds	£ 18,747,581.29
Total LNI Available Principal Amounts	£ 114,449,552.96
Application of Funds:	
Senior costs shortfall	£ 0.00
Monthly distribution shortfall	£ 0.00
Servicer payment shortfall	£ 0.00
Expenses loan shortfall	£ 0.00
Accumulated principal deposited to Principal Funding Account	£ 95,701,971.67
Principal payments	£ 0.00
Targeted pre-funding amounts deposited to Principal Funding Account	£ 0.00
Loss make Up (Investor Defaults) transferred to Investment Account	£ 18,747,581.29
Total	£ 114,449,552.96

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Notes Issued

Series Name	Class A: Series 2010 A3	Class A: Series 2010-2 A1	Class A: Series 2010-2 A2	Class A: Series 2010-2 A3	Class A: Series 2011-1 A1
Issue Date	24 August 2010	27 January 2011	22 December 2010	22 December 2010	08 June 2011
ISIN	DE000A1A0AZ0	XS0558963640	XS0558890744 US70659PAA9	XS0558891049	XS0630613015 US70659PAB7
Stock Exchange Listing	LSE	LSE	LSE	LSE	LSE
Original Rating*	Aaa/AAA/AAA	Aaa/AAA/AAA	Aaa/AAA/AAA	Aaa/AAA/AAA	Aaa/AAA/AAA
Current Rating*	Aaa/AAA/AAA	Aaa/AAA/AAA	Aaa/AAA/AAA	Aaa/AAA/AAA	Aaa/AAA/AAA
Currency	EUR	GBP	USD	GBP	USD
Issue Size	£250,000,000	£500,000,000	\$750,000,000	£300,000,000	\$750,000,000
Issue Size (GBP Equivalent)	£206,150,000	£500,000,000	£482,940,000	£300,000,000	£459,333,660
Outstanding Amount (GBP)	£206,150,000	£500,000,000	£482,940,000	£300,000,000	£459,333,660
Nominal Liquidation Amount (GBP)	£171,791,667	£500,000,000	£80,490,000	£300,000,000	£267,944,635
Scheduled Redemption Date	18 August 2013	18 January 2014	18 December 2012	18 December 2014	18 May 2013
Final Maturity Date	18 August 2015	18 January 2016	18 December 2014	18 December 2016	18 May 2015
Reference Rate	1 month EURIBOR	1 month LIBOR	1 month USD LIBOR	1 month LIBOR	1 month USD LIBOR
Current Reference Rate	0.11100%	0.50375%	0.21320%	0.50375%	0.21320%
Margin	0.78%	0.95%	0.75%	1.05%	0.65%
Expected Interest Amount	£295,093.84	£637,260.27	£665,054.69	£408,657.53	£600,732.92
Interest Amount Paid	£295,093.84	£637,260.27	£665,054.69	£408,657.53	£600,732.92
Interest Shortfall	£0.00	£0.00	£0.00	£0.00	£0.00
Cumulative Interest Shortfall	£0.00	£0.00	£0.00	£0.00	£0.00
Scheduled Principal Payment	£0.00	£0.00	£0.00	£0.00	£0.00
Principal Amount Paid	£0.00	£0.00	£0.00	£0.00	£0.00
Principal Shortfall	£0.00	£0.00	£0.00	£0.00	£0.00
Cumulative Principal Shortfall	£0.00	£0.00	£0.00	£0.00	£0.00

Series Name	Class A: Series 2011-1 A2	Class A: Series 2011-2 A1	Class A: Series 2012-1 A1	Class B: Series 2010 B1	Class B: Series 2010-2 B1
Issue Date	08 June 2011	22 November 2011	12 April 2012	02 June 2010	25 November 2010
ISIN	XS0627216772	XS0704575983 US70659PAC59	XS0764952973 US70659PAD33	XS0512839969	XS0558891478
Stock Exchange Listing	LSE	LSE	LSE	LSE	LSE
Original Rating*	Aaa/AAA/AAA	Aaa/AAA/AAA	Aaa/AAA/AAA	Aa3/A/A+	Aa3/A/A+
Current Rating*	Aaa/AAA/AAA	Aaa/AAA/AAA	Aaa/AAA/AAA	Aa3/A/A+	Aa3/A/A+
Currency	GBP	USD	USD	GBP	GBP
Issue Size	£125,000,000	\$600,000,000	\$750,000,000	£200,000,000	£330,000,000
Issue Size (GBP Equivalent)	£125,000,000	£379,194,000	£472,440,000	£200,000,000	£330,000,000
Outstanding Amount (GBP)	£125,000,000	£379,194,000	£472,440,000	£200,000,000	£330,000,000
Nominal Liquidation Amount (GBP)	£125,000,000	£379,194,000	£472,440,000	£200,000,000	£330,000,000
Scheduled Redemption Date	18 May 2015	18 November 2013	18 March 2014	18 May 2015	18 February 2015
Final Maturity Date	18 May 2017	18 November 2015	18 March 2016	18 May 2017	18 February 2017
Reference Rate	1 month LIBOR	1 month USD LIBOR	1 month USD LIBOR	1 month LIBOR	1 month LIBOR
Current Reference Rate	0.50375%	0.21320%	0.21320%	0.50375%	0.50375%
Margin	1.00%	0.75%	0.57%	1.00%	1.25%
Expected Interest Amount	£164,794.52	£518,197.17	£522,711.50	£263,671.23	£507,386.30
Interest Amount Paid	£164,794.52	£518,197.17	£522,711.50	£263,671.23	£507,386.30
Interest Shortfall	£0.00	£0.00	£0.00	£0.00	£0.00
Cumulative Interest Shortfall	£0.00	£0.00	£0.00	£0.00	£0.00
Scheduled Principal Payment	£0.00	£0.00	£0.00	£0.00	£0.00
Principal Amount Paid	£0.00	£0.00	£0.00	£0.00	£0.00
Principal Shortfall	£0.00	£0.00	£0.00	£0.00	£0.00
Cumulative Principal Shortfall	£0.00	£0.00	£0.00	£0.00	£0.00

Series Name	Class C: Series 2010 C1	Class C: Series 2010-2 C1	Class D: Series 2010 D1	Class D: Series 2010-2 D1
Issue Date	02 June 2010	22 December 2010	02 June 2010	22 December 2010
ISIN	XS0512840389	XS0558963483	XS0512840629	XS0558963566
Stock Exchange Listing	LSE	LSE	LSE	LSE
Original Rating*	Baa1/BBB+	Baa1/BBB+	Not Rated	Not Rated
Current Rating*	Baa1/BBB+	Baa1/BBB+	Not Rated	Not Rated
Currency	GBP	GBP	GBP	GBP
Issue Size	£228,000,000	£175,000,000	£240,000,000	£185,000,000
Issue Size (GBP Equivalent)	£228,000,000	£175,000,000	£240,000,000	£185,000,000
Outstanding Amount (GBP)	£228,000,000	£175,000,000	£240,000,000	£185,000,000
Nominal Liquidation Amount (GBP)	£228,000,000	£175,000,000	£240,000,000	£185,000,000
Scheduled Redemption Date	18 May 2017	18 February 2015	18 May 2017	18 February 2015
Final Maturity Date	18 May 2019	18 February 2017	18 May 2019	18 February 2017
Reference Rate	1 month LIBOR	1 month LIBOR	1 month LIBOR	1 month LIBOR
Current Reference Rate	0.50375%	0.50375%	0.50375%	0.50375%
Margin	1.50%	1.50%	1.60%	1.60%
Expected Interest Amount	£400,530.41	£307,424.66	£442,652.05	£341,210.96
Interest Amount Paid	£400,530.41	£307,424.66	£442,652.05	£341,210.96
Interest Shortfall	£0.00	£0.00	£0.00	£0.00
Cumulative Interest Shortfall	£0.00	£0.00	£0.00	£0.00
Scheduled Principal Payment	£0.00	£0.00	£0.00	£0.00
Principal Amount Paid	£0.00	£0.00	£0.00	£0.00
Principal Shortfall	£0.00	£0.00	£0.00	£0.00
Cumulative Principal Shortfall	£0.00	£0.00	£0.00	£0.00

* Rating - Moody's/S&P/Fitch

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Swaps and Credit Enhancement

Issuing Entity Swaps

Issue & Class	Currency Swap Provider	Payments to Swap Provider		Payments to Investor	
		Principal	Interest	Principal	Interest
Class A: Series 2010-1 A3	Bank of Scotland plc	£0.00	£295,093.84	€ 0.00	€ 198,000.00
Class A: Series 2010-2 A2	Natixis, London Branch	£0.00	£665,054.69	\$0.00	\$642,133.33
Class A: Series 2011-1 A1	Natixis, London Branch	£0.00	£600,732.92	\$0.00	\$575,466.67
Class A: Series 2011-2 A1	Natixis, London Branch	£0.00	£518,197.17	\$0.00	\$513,706.67
Class A: Series 2012-1 A1	Wells Fargo Bank, N.A.	£0.00	£522,711.50	\$0.00	\$522,133.33

Credit Enhancement

	Nominal Liquidation Amount	% of Total	Actual Credit Enhancement	Required Credit Enhancement*
Class A Notes	2,296,860,301.67	62.8%	37.2%	25.6%
Class B Notes	530,000,000.00	14.5%	22.7%	15.6%
Class C Notes	403,000,000.00	11.0%	11.6%	8.0%
Class D Notes	425,000,000.00	11.6%		
Total notes	£3,654,860,302	100.0%		

* Required credit enhancement reduced to 21.9% for Class A notes issued on or after 22nd December 2010, and to 21% for Class A notes issued on or after 8th June 2011. All Class A notes will benefit from 25.6% credit enhancement until Class A notes issued prior to 22nd December 2010 are redeemed

Excess Available Funds Percentage

Current Month	14.42%
1 Month Previous	12.39%
2 Month Previous	11.58%
3 Month Average	12.79%
Excess Available Funds - 3 Month Average Trigger	0%

Reserves

Accumulation Reserve

Accumulation Reserve - Required Amount	£45,621,397
Accumulation Reserve - Actual Amount	£45,621,397

Series Cash Reserve

Series Cash Reserve - Required Amount	£0.00
Series Cash Reserve - Actual Amount	£0.00

Provides liquidity support in relation to shortfalls of interest payable on certain Class A series. A Cash Reserve Fund will be funded upon the requisite ratings downgrade (see Ratings Triggers)

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Ratings and Triggers

Rating Triggers

Transaction Party	Name	Required Rating (Moody's/S&P/Fitch)	Current Rating	Consequences of Trigger Breach
Swap provider	Bank of Scotland plc	Short Term: P-1/A-1/F1 Long Term: A2/A/A	Short term: P-1/A-1/F1 Long term: A2/A/A	Requirement to post collateral or transfer rights and obligations to a replacement swap provider or obtain a guarantee from a guarantor that satisfies the minimum rating.
Swap provider	Natixis, London	Short Term: P-1/A-1/F1 Long Term: A2/A/A	Short term: P-1/A-1/F1+ Long term: A2/A/A+	Requirement to post collateral or transfer rights and obligations to a replacement swap provider or obtain a guarantee from a guarantor that satisfies the minimum rating.
Swap provider	Wells Fargo Bank, N.A.	Short Term: P-1/A-1/F1 Long Term: A2/A/A	Short term: P-1/A-1/F1+ Long term: Aa3/AA-/AA-	Requirement to post collateral or transfer rights and obligations to a replacement swap provider or obtain a guarantee from a guarantor that satisfies the minimum rating.
Account Bank	Bank of Scotland plc	Short Term: P-1 / A-1 / F1 Long Term: A2/ n/a / A	Short term: P-1/A-1/F1 Long term: A2/A/A	Within 30 days from the downgrade below the minimum rating open substitute accounts at a suitable Qualified Institution and transfer all funds standing to the credit of the accounts to the substitute accounts.
Account Bank	Lloyds TSB Bank plc	Short Term: P-1 / A-1 / F1 Long Term: A2/ n/a / A	Short term: P-1/A-1/F1 Long term: A2/A/A	Within 30 days from the downgrade below the minimum rating open substitute accounts at a suitable Qualified Institution and transfer all funds standing to the credit of the accounts to the substitute accounts.
Transferor	Bank of Scotland plc	Long Term: Baa2,BBB+,BBB+	Short term: P-1/A-1/F1 Long term: A2/A/A	Perfection of Title Rapid amortisation of notes, principal and interest paid monthly and all series of notes become pass through.
Material Originator	Lloyds TSB Bank plc	Long Term: Baa2,BBB+,BBB+	Short term: P-1/A-1/F1 Long term: A2/A/A	Perfection of Title Rapid amortisation of notes, principal and interest paid monthly and all series of notes become pass through.

Non Rating Triggers

Trigger Type	Trigger Event	Level	Breached	Consequences of Trigger Breach
Non Asset Trigger	Breach of minimum sellers share	< 6%	No	Regulated amortisation of notes, principal is accumulated as defined in the final terms.
Non Asset Trigger	Insolvency event	n/a	No	Perfection of Title Rapid amortisation of notes
Non Asset Trigger	Servicer default	n/a	No	Termination of Servicer and appointment of Successor Servicer
Asset Trigger	Breach of excess available funds percentage	3 month average less than or equal to 0%	No	Regulated amortisation of notes, principal is accumulated as defined in the final terms.

Reserve & Step Up Triggers

Test	Level	Breached	Consequences of Trigger Breach
Moody's Rating	Short term P1, long term A2	No	Requirement to increase the series cash reserve account to the specified targeted amount for certain class A notes.
Step Up Trigger	Any notes not paid on step up date	No	Step up premium applies to future interest payments on certain Class A notes.

Ratings values taken at :31 October 2012