

**Reporting Date** 15 March 2013  
**Reporting Period** 01 February 2013 - 28 February 2013  
**Interest Payment Date** 15 March 2013

**Contact Details**

<b>Name</b>	<b>Telephone</b>	<b>Email</b>	<b>Address</b>
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**Key Parties**

<b>Name</b>	<b>Role</b>
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.

**Trust Receivables**

<b>BOP Principal Receivables</b>	£ 6,357,808,440.96
Principal Collections	- £ 1,214,014,196.25
Customer New Advances & Adjustments	£ 1,148,266,918.47
New Principal Additions	£ 0.00
Removals - breach of warranty	£ 0.00
Charge Offs	- £ 28,129,303.71
<b>EOP Principal Receivables</b>	<b>£ 6,263,931,859.47</b>

	BOP Receivables	% Share	Minimum Requirement
Investor Share	£ 2,757,743,915.00	43.38%	
Sellers Share	£ 3,600,064,525.96	56.62%	6%
Principal Receivables	£ 6,357,808,440.96	100.00%	

Principal Payment Rate	18.88%	The Payment Rate numerator excludes non-cash collections
Monthly Payment Rate	19.26%	Includes Principal and Finance Charges

**Investor Yield and Expense Rate**

Gross Yield Rate	22.40%
Less Charge off Rate	5.77%
<b>Portfolio Yield</b>	<b>16.64%</b>
Less Expense Rate	2.60%
<b>Excess Available Funds Percentage</b>	<b>14.04%</b>

Delinquent Principal Receivables	EOP Principal Receivables	% of Total Principal Receivables	Number of Accounts	% of Total Accounts
30 - 59 days delinquent	£ 54,715,720.94	0.87%	23,340	0.36%
60 - 89 days delinquent	£ 38,199,769.03	0.61%	13,592	0.21%
90 - 119 days delinquent	£ 18,695,458.97	0.30%	7,639	0.12%
120-149 days delinquent	£ 13,279,575.86	0.21%	5,605	0.09%
150 -179 days delinquent	£ 10,001,445.20	0.16%	4,429	0.07%
180+ days delinquent	£ 7,412,383.66	0.12%	5,005	0.08%
Non-Delinquent	£ 6,121,627,505.81	97.73%	6,363,113	99.07%
<b>Total</b>	<b>£ 6,263,931,859.47</b>	<b>100.00%</b>	<b>6,422,723</b>	<b>100.00%</b>

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Credit Card Trust Portfolio Data

Unaudited Stratification Tables as at 28 February 2013

Composition by Account Balance	Aggregate Account Balance	% of Total Aggregate Account Balance	Number of Accounts	% of Total Accounts
Credit Balance	- £ 23,058,408.29	-0.34%	895,263	13.94%
No Balance	£ 0.00	0.00%	1,873,277	29.17%
£0.01 - £5,000.00	£ 3,570,736,264.14	53.25%	3,277,534	51.03%
£5,000.01 - £10,000.00	£ 1,952,974,998.15	29.13%	280,574	4.37%
£10,000.01 - £15,000.00	£ 1,125,343,002.90	16.78%	91,323	1.42%
£15,000.01 - £20,000.00	£ 71,266,410.78	1.06%	4,442	0.07%
£20,000.01 or more	£ 7,980,509.51	0.12%	310	0.00%
<b>Total</b>	<b>£ 6,705,242,777.19</b>	<b>100.00%</b>	<b>6,422,723</b>	<b>100.00%</b>

Composition by Credit Limit	Aggregate Account Balance	% of Total Aggregate Account Balance	Number of Accounts	% of Total Accounts
Less than £5,000.00	£ 1,965,146,831.52	29.31%	3,873,587	60.31%
£5,000.01 - £10,000.00	£ 2,204,488,392.62	32.88%	1,649,146	25.68%
£10,000.01 - £15,000.00	£ 2,416,789,691.49	36.04%	865,170	13.47%
£15,000.01 - £20,000.00	£ 103,789,394.19	1.55%	32,174	0.50%
£20,000.01 or more	£ 15,028,467.37	0.22%	2,646	0.04%
<b>Total</b>	<b>£ 6,705,242,777.19</b>	<b>100.00%</b>	<b>6,422,723</b>	<b>100.00%</b>

Composition by Account Age	Aggregate Account Balance	% of Total Aggregate Account Balance	Number of Accounts	% of Total Accounts
Not More Than 6 Months	£ 20,292,858.02	0.30%	22,573	0.35%
Over 6 Months to 12 Months	£ 107,019,575.51	1.60%	138,322	2.15%
Over 12 Months to 24 Months	£ 532,959,370.00	7.95%	623,998	9.72%
Over 24 Months to 36 Months	£ 471,988,811.19	7.04%	676,842	10.54%
Over 36 Months to 48 Months	£ 460,185,549.11	6.86%	534,480	8.32%
Over 48 Months to 60 Months	£ 550,290,738.32	8.21%	566,007	8.81%
Over 60 Months to 72 Months	£ 649,080,287.65	9.68%	574,241	8.94%
Over 72 Months	£ 3,913,425,587.39	58.36%	3,286,260	51.17%
<b>Total</b>	<b>£ 6,705,242,777.19</b>	<b>100.00%</b>	<b>6,422,723</b>	<b>100.00%</b>

Geographic Distribution of Accounts	Aggregate Account Balance	% of Total Aggregate Account Balance	Number of Accounts	% of Total Accounts
East Anglia	£ 806,652,915.70	12.03%	739,302	11.51%
London	£ 487,272,517.80	7.27%	424,364	6.61%
Midlands	£ 802,659,205.58	11.97%	844,790	13.15%
North East England	£ 842,763,567.02	12.57%	851,416	13.26%
North West England	£ 758,886,329.92	11.32%	755,659	11.77%
Scotland	£ 675,298,852.25	10.07%	637,753	9.93%
South Central England	£ 745,984,043.30	11.13%	668,294	10.41%
South East England	£ 678,159,832.05	10.11%	583,002	9.08%
South West England	£ 612,790,795.89	9.14%	630,620	9.82%
Wales	£ 282,184,440.48	4.21%	274,245	4.27%
Other	£ 12,590,277.20	0.19%	13,278	0.21%
<b>Total</b>	<b>£ 6,705,242,777.19</b>	<b>100.00%</b>	<b>6,422,723</b>	<b>100.00%</b>

## Waterfall

## Revenue Waterfall

Trust Finance Charge Collections	£ 108,405,188.55
Sellers Share	£ 61,007,489.93
Investor Share	£ 47,397,698.62
<b>Funding 1</b>	
Finance Charge Collections	£ 38,394,641.84
Interchange	£ 4,549,010.20
Recoveries	£ 3,590,259.08
Investment proceeds	£ 247,684.47
Principal Funding Account Interest	£ 120,087.82
Interest and earnings accrued on Accumulation Reserve	£ 6,665.39
Accumulation reserve Draw Amount	£ 489,349.82
<b>Total LNI Available Funds</b>	<b>£ 47,397,698.62</b>
<b>Application of Funds:</b>	
Senior Cost Items	£ 24,103.06
Monthly Distribution Amount	£ 4,077,888.14
Servicer Payment	£ 2,064,978.34
Aggregate Investor Default Amount	£ 12,201,282.38
<b>Excess Available Funds</b>	<b>£ 29,029,446.70</b>
Expenses Loan	£ 0.00
Accumulation reserve funding	£ 489,349.82
Junior Costs	£ 1,000.00
<b>Excess Spread</b>	<b>£ 28,539,096.88</b>

## Principal Waterfall

Trust Principal Collections	£ 1,214,014,196.25
Distributed to Funding 1	£ 87,056,471.67
<b>Funding 1</b>	
Principal Collections	£ 87,056,471.67
Investor Defaults transferred from LNI Available Funds	£ 12,201,282.38
<b>Total LNI Available Principal Amounts</b>	<b>£ 99,257,754.05</b>
<b>Application of Funds:</b>	
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	£ 87,056,471.67
Principal payments	£ 0.00
Targeted pre-funding amounts deposited to Principal Funding Account	£ 0.00
Loss make Up (Investor Defaults) transferred to Investment Account	£ 12,201,282.38
<b>Total</b>	<b>£ 99,257,754.05</b>

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Notes in Issue as at 28 February 2013

Series Name	Class A: Series 2010 A3	Class A: Series 2010-2 A3	Class A: Series 2011-1 A1	Class A: Series 2011-1 A2
Issue Date	24 August 2010	22 December 2010	08 June 2011	08 June 2011
ISIN	DE000A1A0A20	XS0558891049	XS0630613015 US70659PAB7	XS0627216772
Stock Exchange Listing	LSE	LSE	LSE	LSE
Original Rating*	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
Currency	EUR	GBP	USD	GBP
Issue Size	£250,000,000	£300,000,000	\$750,000,000	£125,000,000
Issue Size (GBP Equivalent)	£206,150,000	£300,000,000	£459,333,660	£125,000,000
Outstanding Amount (GBP)	£206,150,000	£300,000,000	£459,333,660	£125,000,000
Nominal Liquidation Amount (GBP)	£103,075,000	£300,000,000	£114,833,415	£125,000,000
Scheduled Redemption Date	18 August 2013	18 December 2014	18 May 2013	18 May 2015
Final Maturity Date	18 August 2015	18 December 2016	18 May 2015	18 May 2017
Reference Rate	1 month EURIBOR	1 month LIBOR	1 month USD LIBOR	1 month LIBOR
Current Reference Rate	0.12000%	0.49250%	0.20220%	0.49250%
Margin	0.78%	1.05%	0.65%	1.00%
Expected Interest Amount	£247,269.87	£354,986.30	£503,045.86	£143,116.44
Interest Amount Paid	£247,269.87	£354,986.30	£503,045.86	£143,116.44
Interest paid in currency of Note	€ 168,750.00	n/a	\$479,362.50	n/a
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

Series Name	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	22 November 2011	12 April 2012	02 June 2010	25 November 2010
ISIN	XS0704575983 US70659PAC59	XS0764952973 US70659PAD33	XS0512839969	XS0558891478
Stock Exchange Listing	LSE	LSE	LSE	LSE
Original Rating*	Aaa/AAA/AAA	Aaa/AAA/AAA	Aa3/A/A+	Aa3/A/A+
Current Rating*	Aaa/AAA/AAA	Aaa/AAA/AAA	Aa3/A/AA	Aa3/A/AA
Currency	USD	USD	GBP	GBP
Issue Size	€600,000,000	\$750,000,000	£200,000,000	£330,000,000
Issue Size (GBP Equivalent)	£379,194,000	£472,440,000	£200,000,000	£330,000,000
Outstanding Amount (GBP)	£379,194,000	£472,440,000	£200,000,000	£330,000,000
Nominal Liquidation Amount (GBP)	£284,395,500	£472,440,000	£200,000,000	£330,000,000
Scheduled Redemption Date	18 November 2013	18 March 2014	18 May 2015	18 February 2015
Final Maturity Date	18 November 2015	18 March 2016	18 May 2017	18 February 2017
Reference Rate	1 month USD LIBOR	1 month USD LIBOR	1 month LIBOR	1 month LIBOR
Current Reference Rate	0.20220%	0.20220%	0.49250%	0.49250%
Margin	0.75%	0.57%	1.00%	1.25%
Expected Interest Amount	£434,073.24	£461,483.28	£220,808.22	£441,115.07
Interest Amount Paid	£434,073.24	£461,483.28	£220,808.22	£441,115.07
Interest paid in currency of Note	€ 428,490.00	\$434,362.50	n/a	n/a
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

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	0.49250%	0.49250%	0.49250%	0.49250%
Margin	1.50%	1.50%	1.60%	1.60%
Expected Interest Amount	£336,050.14	£267,486.30	£371,490.41	£296,963.01
Interest Amount Paid	£336,050.14	£267,486.30	£371,490.41	£296,963.01
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	£247,269.87	€ 0.00	€ 168,750.00
Class A: Series 2011-1 A1	Natixis, London Branch	£0.00	£503,045.86	\$0.00	\$479,362.50
Class A: Series 2011-2 A1	Natixis, London Branch	£0.00	£434,073.24	\$0.00	\$428,490.00
Class A: Series 2012-1 A1	Wells Fargo Bank, N.A.	£0.00	£461,483.28	\$0.00	\$434,362.50

**Credit Enhancement**

	Nominal Liquidation Amount	% of Total	Actual Credit Enhancement	Required Credit Enhancement*
Class A Notes	1,399,743,915.00	50.8%	49.2%	25.6%
Class B Notes	530,000,000.00	19.2%	30.0%	15.6%
Class C Notes	403,000,000.00	14.6%	15.4%	8.0%
Class D Notes	425,000,000.00	15.4%		
<b>Total notes</b>	<b>£2,757,743,915</b>	<b>100.0%</b>		

\* 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	14.04%
1 Month Previous	12.41%
2 Month Previous	13.33%
<b>3 Month Average</b>	<b>13.26%</b>
<b>Excess Available Funds - 3 Month Average Trigger</b>	<b>0%</b>

**Reserves**

**Accumulation Reserve**

Accumulation Reserve - Required Amount	£23,505,247
Accumulation Reserve - Actual Amount	£23,505,247

**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 :28 February 2013