Permanent Master Trust | Monthly Investor Report

Reporting Date	15 Jan 2015
Reporting Period	1 Dec 2014 to 31 Dec 2014
Next Funding 2 Interest Payment Date	15 Jan 2015
Funding 2 Interest Period	15 Oct 2014 to 15 Jan 2015

Contact Details

Name	Telephone	e-mail	Mailing Address
Tracey Hill	+44 (0)113 235 2176	traceyhill@halifax.co.uk	LP/3/1/SEC, 1 Lovell Park Road
Mark Unsworth	+44 (0)113 235 7699	markunsworth@lloydsbanking.com	Leeds LS1 1NS

Investor reports, prospectus and access to key transaction documents and loan level data may be obtained at http://www.lloydsbankinggroup.com/investors/debt-investors/securitisation

Mortgages Trust Summary

Outstanding principal balance start period	£	20,141,179,328.05	Number of accounts at start of period		271,006
Outstanding principal balance end period	£	19,838,658,817.42	Number of accounts at end of period		267,877
Funding 2 Issuer Notes outstanding (GBP)	£	8,373,078,190.12	Funding 1 Issuer Notes outstanding (GBP)	£	-
plus Funding 2 Z Loans outstanding	£	2,548,000,000.00	*plus* Funding 1 Z Loans outstanding	£	-
less Cash Accumulation Ledger balance	£	-	*less* Cash Accumulation Ledger balance	£	-
less Funding 2 Principal Ledger balance	£	848,747,169.74	*less* Funding 1 Principal Ledger balance	£	-
less Principal Deficiency Ledger balance	£	1,577,830.26	*less* Principal Deficiency Ledger balance	£	-
Funding 2 Share	£	10,070,753,290.12	Funding 1 Share	£	-
Funding 2 Share %		50.76328%	Funding 1 Share %		0%
Seller Share	£	9,767,905,527.30			
Seller Share %		49.23672%			
Minimum Seller Share	£	2,107,136,025.95			
Minimum Seller Share %		10.62136%			

Other Mortgages Trust assets: £100 cash at bank

Mortgages Trust Portfolio Details

Arrears & Possessions

Months in arrears		Aggregate outstanding principal balance	% of Total		Aggregate amount of Arrears	Number of accounts	% of Total
Current - < 1 month	£	18,784,945,427.71	94.69%	£	1,502,408.68	257,325	96.06%
1 - < 2 months	£	334,403,508.52	1.69%	£	2,595,118.07	3,442	1.28%
2 - < 3 months	£	180,929,812.85	0.91%	£	2,656,648.57	1,843	0.69%
3 - < 6 months	£	264,831,548.82	1.33%	£	7,131,491.38	2,663	0.99%
6 - < 12 months	£	179,004,881.92	0.90%	£	9,339,226.46	1,713	0.64%
>= 12 months	£	94,543,637.60	0.48%	£	11,695,856.36	891	0.33%
Total	£	19,838,658,817.42	100.00%	£	34,920,749.52	267,877	100.00%

Properties in possession		Aggregate outstanding principal balance	% of Total	Number of accounts	% of Total	Cumulative Numbers
Brought forward	£	20,354,291.98	0.10%	173	0.06%	
Repossessed				30	0.01%	6,437
Sold and loss incurred				31	0.01%	4,232
Sold and no loss incurred				23	0.01%	1,972
Relinquished to borrower				1	0.00%	80
Loan repurchased				-	0.00%	5
Carried forward	£	17,438,342.80	0.09%	148	0.06%	

Average days from possession to sale (this period): 116

Asset Yield

Yield	%
Halifax Variable Rate 1	3.99%
Halifax Homeowner Variable Rate	3.99%
Pre-Funding Swap yield	3.70399%
Post-Funding Swap yield (over 3m LIBOR)	2.02009%
Minimum Trust Property Yield Margin	1.50%

Loan Repurchases

Reason		Principal proceeds	Number of accounts
Further Advance and/or Product Switch	£	14,877,635.28	144
Arrears >3 months	£	-	-
Breach of Loan Warranty	£	1,061,907.46	4
Total	£	15,939,542.74	148

Loans Added

	Balance of accounts	Number of accounts
£	-	-

Principal Payment Rate

Month	Monthly PPR	1-month annualised	3-month average	12-month average
Dec 2014	1.52%	16.74%	16.03%	16.14%
Nov 2014	1.35%	15.08%	16.39%	16.19%
Oct 2014	1.47%	16.26%	17.14%	16.36%

Range of LTV ratios at origination		Aggregate outstanding principal balance	% of Total	Number of accounts	% of Total
0% - <25%	£	296,493,167.09	1.49%	13,327	4.98%
25% - <50%	£	2,095,245,223.29	10.56%	50,129	18.71%
50% - <75%	£	7,048,097,838.56	35.53%	91,539	34.17%
75% - <80%	£	2,180,017,515.77	10.99%	22,030	8.22%
80% - <85%	£	1,619,445,204.95	8.16%	17,050	6.36%
85% - <90%	£	2,360,307,778.78	11.90%	23,953	8.94%
90% - <95%	£	2,620,193,080.48	13.21%	28,030	10.46%
95% - <97%	£	1,118,049,883.25	5.64%	14,805	5.53%
>=97%	£	500,809,125.25	2.52%	7,014	2.62%
Total	£	19,838,658,817.42	100.00%	267,877	100.00%

Maximum Original LTV	97.00%
Minimum Original LTV	0.17%
Weighted average Original LTV	73.09%

Range of LTV ratios at end of reporting period		Aggregate outstanding principal balance	% of Total	Number of accounts	% of Total
0% - <25%	£	2,307,517,206.00	11.63%	92,498	34.53%
25% - <50%	£	6,031,181,240.64	30.40%	79,516	29.68%
50% - <75%	£	8,135,325,798.72	41.01%	69,492	25.94%
75% - <80%	£	1,182,849,990.15	5.96%	9,575	3.57%
80% - <85%	£	829,004,977.55	4.18%	6,669	2.49%
85% - <90%	£	538,089,181.34	2.71%	4,162	1.55%
90% - <95%	£	390,558,462.17	1.97%	2,863	1.07%
95% - <100%	£	235,423,516.57	1.19%	1,732	0.65%
100% - <105%	£	117,606,240.25	0.59%	822	0.31%
105% - <110%	£	46,930,189.85	0.24%	367	0.14%
110% - <115%	£	18,335,835.98	0.09%	134	0.05%
115% - <120%	£	3,816,119.76	0.02%	29	0.01%
120% - <125%	£	783,856.93	0.00%	7	0.00%
>=125%	£	1,236,201.51	0.01%	11	0.00%
Total	£	19,838,658,817.42	100.00%	267,877	100.00%

Maximum Current LTV	172.66%
Minimum Current LTV	-55.63%
Weighted average Current LTV	53.65%

Range of outstanding balances at end of period		Aggregate outstanding principal balance	% of Total	Number of accounts	% of Total
£0 - <£25,000	£	766,141,106.52	3.86%	64,628	24.13%
£25,000 - <£50,000	£	2,052,385,453.49	10.35%	55,357	20.67%
£50,000 - <£75,000	£	2,833,715,785.82	14.28%	45,743	17.08%
£75,000 - <£100,000	£	2,906,722,119.83	14.65%	33,519	12.51%
£100,000 - <£125,000	£	2,530,595,877.32	12.76%	22,664	8.46%
£125,000 - <£150,000	£	2,105,731,573.53	10.61%	15,412	5.75%
£150,000 - <£175,000	£	1,631,955,405.44	8.23%	10,109	3.77%
£175,000 - <£200,000	£	1,207,726,290.06	6.09%	6,478	2.42%
£200,000 - <£225,000	£	892,055,320.76	4.50%	4,218	1.57%
£225,000 - <£250,000	£	657,981,298.87	3.32%	2,781	1.04%
£250,000 - <£275,000	£	504,585,786.83	2.54%	1,932	0.72%
£275,000 - <£300,000	£	377,282,804.36	1.90%	1,314	0.49%
£300,000 - <£350,000	£	536,868,927.49	2.71%	1,669	0.62%
£350,000 - <£400,000	£	377,196,289.90	1.90%	1,013	0.38%
£400,000 - <£450,000	£	278,240,624.69	1.40%	659	0.25%
£450,000 - <£500,000	£	179,474,152.51	0.90%	381	0.14%
>=£500,000	£	-	0.00%	-	0.00%
Total	£	19,838,658,817.42	100.00%	267,877	100.00%

Maximum current balance	£	499,367.74
Minimum current balance	-£	76,782.84
Average current balance	£	74,058.84
Weighted average current balance	£	135,413.48

Region		Aggregate outstanding principal balance	% of Total	Number of accounts	% of Total
East Midlands	£	1,233,529,265.63	6.22%	19,437	7.26%
East of England	£	1,859,714,775.30	9.37%	21,405	7.99%
London	£	3,488,613,427.46	17.58%	29,063	10.85%
North East	£	773,089,993.25	3.90%	14,312	5.34%
North West	£	1,921,141,960.65	9.68%	32,840	12.26%
Scotland	£	1,962,039,441.58	9.89%	33,446	12.49%
South East	£	2,975,763,485.24	15.00%	30,355	11.33%
South West	£	1,428,184,391.46	7.20%	17,769	6.63%
Wales	£	710,391,962.63	3.58%	11,891	4.44%
West Midlands	£	1,685,330,198.29	8.50%	25,589	9.55%
Yorkshire and The Humber	£	1,796,554,592.72	9.06%	31,703	11.83%
Unknown	£	4,305,323.21	0.02%	67	0.03%
Total	£	19,838,658,817.42	100.00%	267,877	100.00%

Property type		Aggregate outstanding principal balance	% of Total	Number of accounts	% of Total
Detached house	£	4,856,716,914.63	24.48%	50,371	18.80%
Semi-detached house	£	5,738,989,888.00	28.93%	85,900	32.07%
Terraced house	£	5,730,039,790.76	28.88%	88,265	32.95%
House: det type unknown[1]	£	43,839,932.81	0.22%	485	0.18%
Flat or maisonette	£	2,789,904,043.01	14.06%	35,075	13.09%
Bungalow	£	675,618,850.90	3.41%	7,651	2.86%
Unknown	£	3,549,397.31	0.02%	130	0.05%
Total	£	19,838,658,817.42	100.00%	267,877	100.00%

Seasoning in months		Aggregate outstanding principal balance	% of Total	Number of accounts	% of Total
0 - <6	£	-	0.00%	-	0.00%
6 - <12	£	-	0.00%	-	0.00%
12 - <18	£	-	0.00%	-	0.00%
18 - <24	£	-	0.00%	-	0.00%
24 - <30	£	-	0.00%	-	0.00%
30 - <36	£	-	0.00%	-	0.00%
36 - <42	£	-	0.00%	-	0.00%
42 - <48	£	-	0.00%	-	0.00%
48 - <54	£	299,472,079.30	1.51%	3,343	1.25%
54 - <60	£	391,791,633.91	1.97%	4,374	1.63%
60 - <72	£	1,864,164,221.85	9.40%	20,033	7.48%
72 - <84	£	2,864,465,492.36	14.44%	24,823	9.27%
84 - <96	£	3,666,747,529.22	18.48%	32,610	12.17%
96 - <108	£	2,545,479,704.35	12.83%	28,682	10.71%
108 - <120	£	1,978,606,104.15	9.97%	25,698	9.59%
>=120	£	6,227,932,052.28	31.39%	128,314	47.90%
Total	£	19,838,658,817.42	100.00%	267,877	100.00%

Maximum seasoning	290.99
Minimum seasoning	50.07
Weighted average seasoning	105.96

Years to maturity		Aggregate outstanding principal balance	% of Total	Number of accounts	% of Total
< 5	£	1,591,316,915.22	8.02%	45,043	16.81%
5 - <10	£	3,172,586,143.39	15.99%	58,780	21.94%
10 - <15	£	6,305,340,287.37	31.78%	80,894	30.20%
15 - <20	£	6,186,570,940.63	31.18%	57,233	21.37%
20 - <25	£	2,518,121,696.56	12.69%	25,219	9.41%
25 - <30	£	64,722,834.25	0.33%	708	0.26%
>=30	£	-	0.00%	-	0.00%
Total	£	19,838,658,817.42	100.00%	267,877	100.00%

Maximum remaining term	29.92
Minimum remaining term	-
Weighted average remaining term	13.88

Use of proceeds		Aggregate outstanding principal balance	% of Total	Number of accounts	% of Total
Purchase	£	12,496,336,382.73	62.99%	178,899	66.78%
Remortgage	£	7,342,322,434.69	37.01%	88,978	33.22%
Total	£	19,838,658,817.42	100.00%	267,877	100.00%

Repayment terms		Aggregate outstanding principal balance	% of Total	Number of accounts	% of Total
Repayment	£	10,675,834,510.38	53.81%	187,645	70.05%
Interest Only	£	9,162,824,307.04	46.19%	80,232	29.95%
Total	£	19,838,658,817.42	100.00%	267,877	100.00%

Payment method		Aggregate outstanding principal balance	% of Total	Number of accounts	% of Total
Direct debit	£	17,757,563,726.84	89.51%	237,907	88.81%
Other	£	2,081,095,090.58	10.49%	29,970	11.19%
Total	£	19,838,658,817.42	100.00%	267,877	100.00%

Origination channel		Aggregate outstanding principal balance	% of Total	Number of accounts	% of Total
Direct	£	7,724,799,445.97	38.94%	129,651	48.40%
Intermediary / Other	£	12,113,859,371.45	61.06%	138,226	51.60%
Total	£	19,838,658,817.42	100.00%	267,877	100.00%

Type of loan		Aggregate outstanding principal balance	% of Total	Number of accounts	% of Total
Added variable rate loans	£	109,970,034.34	0.55%	1,227	0.46%
Discounted variable rate loans	£	91,525,849.80	0.46%	848	0.32%
Fixed rate loans	£	4,841,540,763.16	24.40%	59,595	22.25%
Tracker rate loans	£	1,303,290,249.75	6.57%	22,953	8.57%
Standard variable rate loans	£	13,492,331,920.37	68.01%	183,254	68.41%
Total	£	19,838,658,817.42	100.00%	267,877	100.00%
of which Flexible Loans	£	106,765,423.16	0.54%	1,171	0.44%

Distribution of fixed rate loans

Fixed rate %		Aggregate outstanding principal balance	% of Total	Number of accounts	% of Total
0 - <4.00%	£	3,905,928,676.71	80.68%	45,633	76.57%
4.00 - <5.00%	£	352,520,077.32	7.28%	4,321	7.25%
5.00 - <6.00%	£	376,503,442.22	7.78%	6,184	10.38%
6.00 - <7.00%	£	205,570,336.08	4.25%	3,444	5.78%
>=7.00%	£	1,018,230.83	0.02%	13	0.02%
Total	£	4,841,540,763.16	100.00%	59,595	100.00%

Year in which current fixed rate period ends		Aggregate outstanding principal balance	% of Total	Number of accounts	% of Total
2015	£	1,011,714,419.52	20.90%	12,216	20.50%
2016	£	1,905,801,690.24	39.36%	20,326	34.11%
2017	£	622,595,011.53	12.86%	7,702	12.92%
2018	£	1,160,439,106.22	23.97%	13,350	22.40%
2019+	£	140,990,535.65	2.91%	6,001	10.07%
Total	£	4,841,540,763.16	100.00%	59,595	100.00%

Outstanding Issuance

Series Name	**2010-1 2A1**	**2010-1 2A2**	**2010-1 3A**	**2010-1 4A**
Issue Date	4 Feb 2010	4 Feb 2010	4 Feb 2010	4 Feb 2010
Orig Rating (Fitch/Moody's/S&P)	AAA(sf)/ Aaa(sf)/ AAA(sf)	AAA(sf)/ Aaa(sf)/ AAA(sf)	AAA(sf)/ Aaa(sf)/ AAA(sf)	AAA(sf)/ Aaa(sf)/ AAA(sf)
Curr Rating (Fitch/Moody's/S&P)	AAA(sf)/ Aaa(sf)/ AAA(sf)	AAA(sf)/ Aaa(sf)/ AAA(sf)	AAA(sf)/ Aaa(sf)/ AAA(sf)	AAA(sf)/ Aaa(sf)/ AAA(sf)
Currency	GBP	EUR	GBP	GBP
Issue Size	GBP 200,000,000	EUR 750,000,000	GBP 600,000,000	GBP 400,000,000
Issue Size (GBP equivalent)	GBP 200,000,000	GBP 650,325,000	GBP 600,000,000	GBP 400,000,000
Exchange Rate	-	1.15327	-	-
Outstanding Amount[1]	GBP 200,000,000	EUR 750,000,000	GBP 600,000,000	GBP 400,000,000
Pool Factor[1]	1.0	1.0	1.0	1.0
Scheduled Maturity Date	15 Apr 2015	15 Apr 2015	15 Jan 2017	15 Jan 2017
Final Maturity Date	15 Jul 2042	15 Jul 2042	15 Jul 2042	15 Jul 2042
Bond Structure	Soft Bullet	Soft Bullet	Soft Bullet	Soft Bullet
ISIN	XS0484703359	XS0484703516	XS0484703433	XS0484703862
Stock Exchange Listing	London	London	London	London
Reference Rate	3m GBP LIBOR	3m EURIBOR	Fixed	3m GBP LIBOR
Margin	1.30%	1.25%	-	1.30%
Current Rate	1.85963%	1.332%	4.805%	1.85963%
Current Accrual Period	15 Oct 14 to 15 Jan 15	15 Oct 14 to 15 Jan 15	15 Jul 14 to 15 Jan 15	15 Oct 14 to 15 Jan 15
Funding 2 Interest Payment Date 15 Jan 2015				
Expected Coupon Amount	GBP 937,457.32	EUR 2,553,000.00	GBP 14,415,000.00	GBP 1,874,914.63
Coupon Amount Paid	GBP 937,457.32	EUR 2,553,000.00	GBP 14,415,000.00	GBP 1,874,914.63
Interest Shortfall	GBP 0	EUR 0	GBP 0	GBP 0
Cumulative Interest Shortfall	GBP 0	EUR 0	GBP 0	GBP 0
Scheduled Principal Payment	GBP 0	EUR 0	GBP 0	GBP 0
Principal Paid	GBP 0	EUR 0	GBP 0	GBP 0
Principal Shortfall	GBP 0	EUR 0	GBP 0	GBP 0
Cumulative Principal Shortfall	GBP 0	EUR 0	GBP 0	GBP 0

Series Name	**2010-2 2A**	**2010-2 3A**	**2010-2 4A**	**2010-2 5A**
Issue Date	13 Jul 2010	13 Jul 2010	13 Jul 2010	13 Jul 2010
Orig Rating (Fitch/Moody's/S&P)	AAA(sf)/ Aaa(sf)/ AAA(sf)	AAA(sf)/ Aaa(sf)/ AAA(sf)	AAA(sf)/ Aaa(sf)/ AAA(sf)	AAA(sf)/ Aaa(sf)/ AAA(sf)
Curr Rating (Fitch/Moody's/S&P)	AAA(sf)/ Aaa(sf)/ AAA(sf)	AAA(sf)/ Aaa(sf)/ AAA(sf)	AAA(sf)/ Aaa(sf)/ AAA(sf)	AAA(sf)/ Aaa(sf)/ AAA(sf)
Currency	USD	USD	USD	GBP
Issue Size	USD 750,000,000	USD 750,000,000	USD 750,000,000	GBP 500,000,000
Issue Size (GBP equivalent)	GBP 496,032,000	GBP 496,032,000	GBP 496,032,000	GBP 500,000,000
Exchange Rate	1.51200	1.51200	1.51200	-
Outstanding Amount[1]	USD 750,000,000	USD 750,000,000	USD 750,000,000	GBP 500,000,000
Pool Factor[1]	1.0	1.0	1.0	1.0
Scheduled Maturity Date	15 Jul 2015	15 Jan 2016	15 Apr 2016	15 Jul 2016
Final Maturity Date	15 Jul 2042	15 Jul 2042	15 Jul 2042	15 Jul 2042
Bond Structure	Soft Bullet	Soft Bullet	Soft Bullet	Pass-through
ISIN	XS0520953950	XS0520954255	XS0520954412	XS0520954768
Stock Exchange Listing	London	London	London	London
Reference Rate	3m USD LIBOR	3m USD LIBOR	3m USD LIBOR	3m GBP LIBOR
Margin	1.50%	1.50%	1.50%	1.50%
Current Rate	1.73060%	1.73060%	1.73060%	2.05963%
Current Accrual Period	15 Oct 14 to 15 Jan 15	15 Oct 14 to 15 Jan 15	15 Oct 14 to 15 Jan 15	15 Oct 14 to 15 Jan 15
Funding 2 Interest Payment Date 15 Jan 2015				
Expected Coupon Amount	USD 3,316,983.33	USD 3,316,983.33	USD 3,316,983.33	GBP 2,595,698.08
Coupon Amount Paid	USD 3,316,983.33	USD 3,316,983.33	USD 3,316,983.33	GBP 2,595,698.08
Interest Shortfall	USD 0	USD 0	USD 0	GBP 0
Cumulative Interest Shortfall	USD 0	USD 0	USD 0	GBP 0
Scheduled Principal Payment	USD 0	USD 0	USD 0	GBP 0
Principal Paid	USD 0	USD 0	USD 0	GBP 0
Principal Shortfall	USD 0	USD 0	USD 0	GBP 0
Cumulative Principal Shortfall	USD 0	USD 0	USD 0	GBP 0

Series Name	**2011-1 2A1**	**2011-1 2A2**	**2011-1 2A3**
Issue Date	20 Apr 2011	20 Apr 2011	20 Apr 2011
Orig Rating (Fitch/Moody's/S&P)	AAA(sf)/ Aaa(sf)/ AAA(sf)	AAA(sf)/ Aaa(sf)/ AAA(sf)	AAA(sf)/ Aaa(sf)/ AAA(sf)
Curr Rating (Fitch/Moody's/S&P)	AAA(sf)/ Aaa(sf)/ AAA(sf)	AAA(sf)/ Aaa(sf)/ AAA(sf)	AAA(sf)/ Aaa(sf)/ AAA(sf)
Currency	EUR	GBP	GBP
Issue Size	EUR 200,000,000	GBP 200,000,000	GBP 500,000,000
Issue Size (GBP equivalent)	GBP 176,680,000	GBP 200,000,000	GBP 500,000,000
Exchange Rate	1.13199	-	-
Outstanding Amount[1]	EUR 200,000,000	GBP 200,000,000	GBP 500,000,000
Pool Factor[1]	1.0	1.0	1.0
Scheduled Maturity Date	15 Jan 2016	15 Jan 2016	15 Jan 2016
Final Maturity Date	15 Jul 2042	15 Jul 2042	15 Jul 2042
Bond Structure	Soft Bullet	Soft Bullet	Soft Bullet
ISIN	XS0617235873 & XS0617235790	XS0617235956	XS0617236251
Stock Exchange Listing	London	London	London
Reference Rate	3m EURIBOR	3m GBP LIBOR	3m GBP LIBOR
Margin	1.40%	1.50%	1.50%
Current Rate	1.48200%	2.05963%	2.05963%
Current Accrual Period	15 Oct 14 to 15 Jan 15	15 Oct 14 to 15 Jan 15	15 Oct 14 to 15 Jan 15
Funding 2 Interest Payment Date 15 Jan 2015			
Expected Coupon Amount	EUR 757,466.67	GBP 1,038,279.23	GBP 2,595,698.08
Coupon Amount Paid	EUR 757,466.67	GBP 1,038,279.23	GBP 2,595,698.08
Interest Shortfall	EUR 0	GBP 0	GBP 0
Cumulative Interest Shortfall	EUR 0	GBP 0	GBP 0
Scheduled Principal Payment	EUR 0	GBP 0	GBP 0
Principal Paid	EUR 0	GBP 0	GBP 0
Principal Shortfall	EUR 0	GBP 0	GBP 0
Cumulative Principal Shortfall	EUR 0	GBP 0	GBP 0

Series Name	**2011-2 1A3**	**2011-2 2A**	**2011-2 3A**	**2013-1 1A**	**2013-1 1M**
Issue Date	1 Nov 2011	1 Nov 2011	1 Nov 2011	5 Apr 2013	5 Apr 2013
Orig Rating (Fitch/Moody's/S&P)	AAA(sf)/ Aaa(sf)/ AAA(sf)	AAA(sf)/ Aaa(sf)/ AAA(sf)	AAA(sf)/ Aaa(sf)/ AAA(sf)	AAA(sf)/ Aaa(sf)/ AAA(sf)	A(sf)/ A2(sf)/ A(sf)
Curr Rating (Fitch/Moody's/S&P)	AAA(sf)/ Aaa(sf)/ AAA(sf)	AAA(sf)/ Aaa(sf)/ AAA(sf)	AAA(sf)/ Aaa(sf)/ AAA(sf)	AAA(sf)/ Aaa(sf)/ AAA(sf)	A(sf)/ A2(sf)/ A(sf)
Currency	USD	GBP	GBP	GBP	GBP
Issue Size	USD 1,050,000,000	GBP 750,000,000	GBP 500,000,000	GBP 1,250,000,000	GBP 500,000,000
Issue Size (GBP equivalent)	GBP 657,977,190	GBP 750,000,000	GBP 500,000,000	GBP 1,250,000,000	GBP 500,000,000
Exchange Rate	1.59580	-	-	-	-
Outstanding Amount[1]	USD 1,050,000,000	GBP 750,000,000	GBP 500,000,000	GBP 1,250,000,000	GBP 500,000,000
Pool Factor[1]	1.0	1.0	1.0	1.0	1.0
Scheduled Maturity Date	15 Oct 2015	15 Jul 16 & 15 Oct 16	15 Jul 21 & 15 Oct 21	15 Jan 2016	15 Jan 2016
Final Maturity Date	15 Jul 2042	15 Jul 2042	15 Jul 2042	15 Jul 2042	15 Jul 2042
Bond Structure	Soft Bullet	Scheduled Am	Scheduled Am	Pass-through	Pass-through
ISIN	US71419GAU40 & XS0700166720	XS0700016750	XS0700016834	XS0909782764	XS0909783143
Stock Exchange Listing	London	London	London	London	London
Reference Rate	3m USD LIBOR	3m GBP LIBOR	3m GBP LIBOR	3m GBP LIBOR	3m GBP LIBOR
Margin	1.60%	1.65%	1.95%	0.45%	1.10%
Current Rate	1.83060%	2.20963%	2.50963%	1.00963%	1.65963%
Current Accrual Period	15 Oct 14 to 15 Jan 15	15 Oct 14 to 15 Jan 15	15 Oct 14 to 15 Jan 15	15 Oct 14 to 15 Jan 15	15 Oct 14 to 15 Jan 15
Funding 2 Interest Payment Date 15 Jan 2015					
Expected Coupon Amount	USD 4,912,110.00	GBP 4,177,108.77	GBP 3,162,821.37	GBP 3,181,026.03	GBP 2,091,588.49
Coupon Amount Paid	USD 4,912,110.00	GBP 4,177,108.77	GBP 3,162,821.37	GBP 3,181,026.03	GBP 2,091,588.49
Interest Shortfall	USD 0	GBP 0	GBP 0	GBP 0	GBP 0
Cumulative Interest Shortfall	USD 0	GBP 0	GBP 0	GBP 0	GBP 0
Scheduled Principal Payment	USD 0	GBP 0	GBP 0	GBP 0	GBP 0
Principal Paid	USD 0	GBP 0	GBP 0	GBP 0	GBP 0
Principal Shortfall	USD 0	GBP 0	GBP 0	GBP 0	GBP 0
Cumulative Principal Shortfall	USD 0	GBP 0	GBP 0	GBP 0	GBP 0

[1] As at end of latest completed Interest Period and following waterfall reported on p12

Credit Enhancement

Permanent Master Issuer notes[1]

Class		Amount (GBP equivalent)	% of Total	Support
Class A notes	£	7,873,078,190	72.09%	31.62%
Class B notes	£	-	0.00%	31.62%
Class M notes	£	500,000,000	4.58%	27.04%
Class C notes	£	-	0.00%	27.04%
Total notes	£	8,373,078,190	76.67%	
Funding 2 Z Loan	£	2,548,000,000	23.33%	
Total	£	10,921,078,190	100.00%	
Reserve	£	405,000,000	3.71%	

Z Loan Required Amounts

Funding 2	£	2,548,000,000

Excess Spread

Permanent Funding 2

	Amount	%
£	24,946,856	1.18%

Liquidity Support

Liquidity support in relation to shortfalls of interest payable on the Notes and certain principal of the Notes is available in the form of the Funding 2 Liquidity Reserve Fund, which will funded upon the requisite ratings downgrade (see Rating Triggers) up to the Funding 2 Liquidity Reserve Fund Required Amount, being 3% of the outstanding Notes.

Ledgers

Funding 1 Share / Funding 2 Share / Seller Share Ledger

Date		Collateral pool balance		Funding 1 Share		Funding 2 Share		Seller Share	Funding 1 Share %	Funding 2 Share %	Seller Share %
01-Dec-14	£	20,141,179,328.05	£	-	£	10,339,812,691.95	£	9,801,366,636.10	0.0000%	51.3367%	48.6633%
03-Nov-14	£	20,415,205,778.36	£	-	£	10,616,416,409.11	£	9,798,789,369.25	0.0000%	52.0025%	47.9975%
15-Oct-14	£	20,560,879,565.69	£	-	£	10,778,563,752.15	£	9,782,315,813.54	0.0000%	52.4227%	47.5773%

Losses Ledger

Month		Losses in month		Funding 1 share of losses		Funding 2 share of losses		Seller share of losses		Cumulative losses
Dec 2014	£	1,116,541.40	£	-	£	573,195.29	£	543,346.11	£	143,728,278.01
Nov 2014	£	878,906.13	£	-	£	457,053.16	£	421,852.97	£	142,611,736.61
Oct 2014	£	992,361.12	£	-	£	547,581.81	£	444,779.31	£	141,732,830.48

Funding 2 Principal Deficiency Ledger (Z Loan sub-ledger)

Month		Debit		Credit		Balance
Dec 2014	£	573,195.29	£	-	£	1,577,830.26
Nov 2014	£	457,053.16	£	-	£	1,004,634.97
Oct 2014	£	547,581.81	£	2,211,262.47	£	547,581.81

Funding 2 Reserve Ledger

Month		Debit		Credit		Balance		Funding 2 Reserve Required Amount
Dec 2014	£	-	£	-	£	405,000,000.00	£	405,000,000.00
Nov 2014	£	-	£	-	£	405,000,000.00	£	405,000,000.00
Oct 2014	£	-	£	-	£	405,000,000.00	£	405,000,000.00

Funding 2 Yield Reserve Ledger[2]

Month		Debit		Credit		Balance
Dec 2014	£	-	£	-	£	89,158,435.15
Nov 2014	£	-	£	-	£	89,158,435.15
Oct 2014	£	6,447,516.70	£	-	£	89,158,435.15

[2] Only Funding 2 Yield Reserve Notes benefit from the Funding 2 Yield Reserve.

Bank Accounts Balance

Mortgages Trustee GIC Account

Date	Revenue Ledger	Principal Ledger	Other	Bank Balance[3]
31 Dec 2014	£ 59,296,254.59	£ 305,170,515.61	£ 100.00	£ 364,466,870.20
30 Nov 2014	£ 59,113,244.84	£ 276,146,664.00	£ 100.00	£ 335,260,008.84
31 Oct 2014	£ 19,100,621.86	£ 161,819,604.42	£ 100.00	£ 180,920,326.28

[3] Including cash from assets for last day of month collected first working day of following month.

Funding 2 GIC Account / Collateralised GIC Account

Date	Revenue Ledger	Principal Ledger	Cash Accumulation Ledger	General Reserve Ledger	Yield Reserve Ledger	GIC Account Balance	Collateralised GIC Account Balance
31 Dec 2014	£ 65,626,158.14	£ 580,260,963.20	£ -	£ 405,000,000.00	£ 89,158,435.15	£ 100,916,105.82	£ 1,039,129,450.67
30 Nov 2014	£ 35,648,585.89	£ 304,114,299.20	£ -	£ 405,000,000.00	£ 89,158,435.15	£ 833,921,320.24	£ -
31 Oct 2014	£ 25,734,638.38	£ 142,294,694.78	£ -	£ 405,000,000.00	£ 89,158,435.15	£ 662,187,768.31	£ -

Funding 2 Transaction Account

Date	Retained Profit Amount	Start-up Loans Proceeds	Bank Balance
31 Dec 2014	£ 1,966,878.32	£ -	£ 1,966,878.32
30 Nov 2014	£ 1,966,878.32	£ -	£ 1,966,878.32
31 Oct 2014	£ 1,966,878.32	£ -	£ 1,966,878.32

Funding 2 Authorised Investments: nil

Master Issuer Capital & Transaction Accounts

Date	Issuer Profit	Capital	Aggregate Bank Balance
31 Dec 2014	£ 258,768.50	£ 12,501.50	£ 271,270.00
30 Nov 2014	£ 258,688.16	£ 12,501.50	£ 271,189.66
31 Oct 2014	£ 258,623.76	£ 12,501.50	£ 271,125.26

Funding Swaps

Funding 2 Swap Provider	Calculation Period	Notional	Funding 2 Swap Provider Amount	Funding 2 Amount	Net Funding 2 Amount[4]
Bank of Scotland plc	1 Dec - 31 Dec 2014	£ 10,192,534,118.48	£ 22,331,795.69	£ 32,143,920.33	-£ 9,812,124.64
	1 Nov - 30 Nov 2014	£ 10,463,818,639.74	£ 22,160,511.44	£ 32,035,465.08	-£ 9,874,953.64
	15 Oct - 31 Oct 2014	£ 10,622,152,900.00	£ 12,756,584.05	£ 18,498,676.12	-£ 5,742,092.07
	1 Oct - 14 Oct 2014	£ 12,562,784,355.84	£ 12,426,088.44	£ 18,020,552.46	-£ 5,594,464.02
					£ -
		Amount paid or received at end of latest completed Funding 2 Interest Period			-£ 31,023,634.37

[4] A negative figure represents a payment by Funding 2 and a positive figure is a receipt.

Issuing Entity Swaps

Issue & Class	Currency Swap Provider	Currency Swap Provider Amounts[5] Floating Amount	Currency Swap Provider Amounts[5] Exchange Amount	Permanent Master Issuer GBP Amounts[5] Floating Amount	Permanent Master Issuer GBP Amounts[5] Exchange Amount
2010-1 2A2	Bank of Scotland plc	EUR 2,553,000.00	EUR -	GBP 3,337,574.09	GBP -
2010-2 2A	Bank of Scotland plc	USD 3,316,983.33	USD -	GBP 2,728,257.00	GBP -
2010-2 3A	Natixis[6]	USD 3,316,983.33	USD -	GBP 2,753,262.44	GBP -
2010-2 4A	Natixis	USD 3,316,983.33	USD -	GBP 2,665,118.24	GBP -
2011-1 2A1	Bank of Scotland plc	EUR 757,466.67	EUR -	GBP 1,136,763.77	GBP -
2011-2 1A3	Bank of Scotland plc	USD 3,533,210.55	USD -	GBP 4,183,688.66	GBP -

Issue & Class	Interest Rate Swap Provider	Interest Rate Swap Provider Fixed Amnts[5]	Permanent Master Issuer Floating Amnts[5]
2010-1 3A	Bank of Scotland plc	GBP 14,415,000.00	GBP 3,105,763.73

[5] Paid in latest waterfall, reported on p12.

[6] The 2010-2 3A currency swap was novated from The Royal Bank of Scotland to Natixis on 26 Nov 2013.

Rating Triggers

Transaction Party	Required Ratings (Fitch / Moody's / S&P)	Consequence of Trigger	Current Ratings (Fitch / Moody's / S&P)
Seller: Bank of Scotland plc	Long Term: BBB / Baa2 / BBB	The Seller shall prepare draft letter of notice to each borrower of the sale and purchase effected by the Mortgage Sale Agreement.	Long Term: A / A1 / A
	Long Term: BBB- / Baa3 / BBB-	The Minimum Seller Share will be recalculated as the rating agencies require; The Seller shall give notice to each borrower of the sale and purchase effected by the Mortgage Sale Agreement; Loan assignments or assignations (as appropriate) to be perfected.	Long Term: A / A1 / A
	Long Term: - / A3 / A-	Establishment of the Funding 2 Liquidity Reserve Fund, unless the relevant rating agency confirms the then current ratings of the notes are not affected.	Long Term: A / A1 / A
Funding 2 Swap Provider: Bank of Scotland plc	Short Term: F1 / - / A-1 Long Term: A / A3 / A	Requirement to post collateral, replace the Funding 2 Swap Provider or obtain a guarantee of the Funding 2 Swap Provider's obligations or take such other action as is required to maintain the rating of the notes by the relevant rating agency.	Short Term: F1 / P-1 / A-1 Long Term: A / A1 / A
	Short Term: F3 / - / - Long Term: BBB- / Baa1 / BBB+	Requirement to replace the Funding 2 Swap Provider or obtain a guarantee of the Funding 2 Swap Provider's obligations or take such other action as is required to maintain the rating of the notes by the relavant rating agency (and in the interim post collateral).	Short Term: F1 / P-1 / A-1 Long Term: A / A1 / A
Issuing Entity Swap Provider: Bank of Scotland plc	Short Term: F1 / P-1 / A-1 Long Term: A / A2 / A	Requirement to post collateral, replace the Issuing Entity Swap Provider or obtain a guarantee of the Issuing Entity Swap Provider's obligations or take such other action as is required to maintain the rating of the notes by the relevant rating agency.	Short Term: F1 / P-1 / A-1 Long Term: A / A1 / A
	Short Term: F3 / - / - Long Term: BBB- / - / -	Requirement to replace the Issuing Entity Swap Provider or obtain a guarantee of the Issuing Entity Swap Provider's obligations or take such other action as is required by the relevant rating agency to maintain the rating of the notes (and in the interim post collateral).	Short Term: F1 / P-1 / A-1 Long Term: A / A1 / A
Issuing Entity Swap Provider: Natixis	Short Term: F1 / P-1 / A-1 Long Term: A / A2 / A	Requirement to post collateral, replace the Issuing Entity Swap Provider or obtain a guarantee of the Issuing Entity Swap Provider's obligations or take such other action as is required to maintain the rating of the notes by the relevant rating agency.	Short Term: F1 / P-1 / A-1 Long Term: A / A2 / A
	Short Term: F3 / - / - Long Term: BBB- / - / -	Requirement to replace the Issuing Entity Swap Provider or obtain a guarantee of the Issuing Entity Swap Provider's obligations or take such other action as is required by the relevant rating agency to maintain the rating of the notes (and in the interim post collateral).	Short Term: F1 / P-1 / A-1 Long Term: A / A2 / A
Servicer: Bank of Scotland plc	Short Term: F1 / P-1 / A-1	The Servicer shall use reasonable endeavours to ensure that the title deeds are identified as distinct from the title deeds of other properties and mortgages which do not form part of the mortgage portfolio.	Short Term: F1 / P-1 / A-1
Account Bank: Bank of Scotland plc	Short Term: F1 / P-1 / A-1 Long Term: A / - / A (or A+ if the short term rating is below A-1)	Requirement to close the Funding 2 Bank Accounts, with the exception of, and providing the conditions in Clause 4.8 of the Cash Management Agreement are satisfied, the Funding 2 Collateralised GIC Account, and seek a replacement account bank, unless the relevant rating agency confirms the then current ratings of the notes are not affected or a guarantee of the Account Bank's obligations is obtained.	Short Term: F1 / P-1 / A-1 Long Term: A / A1 / A
Account Bank: Bank of Scotland plc	Short Term: F2 / P-2 / A-2 Long Term: BBB- / - / BBB-	Requirement to transfer amounts standing to the credit of the Funding 2 Collateralised GIC Account to the Funding 2 GIC Account and close the Funding 2 Collateralised GIC Account.	Short Term: F1 / P-1 / A-1 Long Term: A / A1 / A
Account Bank: Bank of Scotland plc	Short Term: F1 / P-1 / A-1 Long Term: A / - / A	Requirement to close the Mortgages Trustee GIC Account and seek a replacement Account Bank, unless, within 60 days a standby account is opened with a suitably rated stand-by account bank or the relevant rating agency confirms the then current ratings of the notes are not affected or a guarantee of the Account Bank's obligations is obtained.	Short Term: F1 / P-1 / A-1 Long Term: A / A1 / A
Account Bank: Bank of Scotland plc	Long Term: BBB- / - / -	Requirement to close the Mortgages Trustee GIC Account and seek a replacement Account Bank, unless the relevant rating agency confirms the then current ratings of the notes are not affected or a guarantee of the Account Bank's obligations is obtained.	Long Term: A / A1 / A
Issuing Entity Account Bank: Bank of Scotland plc	Short Term: F1 / P-1 / A-1 Long Term: A / - / A (or A+ if the short term rating is below A-1)	Requirement to close the Issuing Entity bank accounts and seek a replacement Issuing Entity Account Bank, unless the relevant rating agency confirms the then current ratings of the notes are not affected or a guarantee of the Issuing Entity Account Bank's obligations is obtained.	Short Term: F1 / P-1 / A-1 Long Term: A / A1 / A

Non-Rating Triggers

Non-asset Trigger Events

Nature of Trigger	Description of Trigger	Consequence of Non-asset Trigger Event	Trigger occurred?
Insolvency Event	An Insolvency Event in relation to the Seller	Mortgages Trust Available Principal Receipts will be applied first to Funding 1 and Funding 2 according to their respective shares in the trust until their shares are zero and then to the Seller	N
Substitution of Servicer	The Seller's role as Servicer is terminated and a new servicer is not appointed within 30 days		N
Breach of Minimum Seller Share	The Seller share ot the trust is less than the Minimum Seller Share		N
Breach of required loan balance amount	The outstanding principal balance of the loans comprising the trust property is less than the required amount specified in the latest Final Terms, currently zero.		N

Asset Trigger Events

Nature of Trigger	Description of Trigger	Consequence of Non-asset Trigger Event	Trigger occurred?
Principal deficiency	Principal losses on the loans in the portfolio reach a level causing an amount to be debited to the Funding 2 AAA Principal Deficiency Sub-ledger or the Funding 1 AAA Principal Deficiency Sub-ledger and the debit amount will not be cleared on the next Interest Payment Date	Mortgages Trust Available Principal Receipts will be applied to Funding 1, Funding 2 and the Seller according to their respective shares in the trust until the Funding 1 and Funding 2 shares in the trust are zero and then to the Seller	N

Other Triggers

Nature of Trigger	Description of Trigger	Consequence of Trigger	Trigger occurred?
Mortgage Sale Agreement: Breach of these (or any other) conditions under Clause 4.2	Loans with an arrears amount which is more than three times the monthly payment due account for more than 5% of the aggregate outstanding principal balance of the Loans in the Mortgages Trust.	Seller unable to sell new portfolio to Mortgages Trustee and requirement for the Seller to repurchase any Loans subject to a Product Switch.	N
	The product of the weighted average foreclosure frequency (WAFF) and the weighted average loss severity (WALS) of the Loans exceeds the product of the WAFF and WALS of the Loans at the most recent closing date plus 0.25%.		
	The sale of any New Portfolio or completion of Product Switch does not result in the Fitch Portfolio Tests exceeding the most recently agreed Fitch Portfolio Test Value for each such Fitch Portfolio Test; or Where the above would not be satisfied in respect of any Fitch Portfolio Test, the sale of any New Portfolio or completion of Product Switch does not result in the margin by which the relevant Fitch Portfolio Test is exceeded being greater than the margin by which the Portfolio exceeded the most recently agreed Fitch Portfolio Test Value prior to completion of such sale or Product Switch.		
	The yield of the Loans in the Mortgages Trust is less than three month Sterling LIBOR plus the Minimum Trust Property Yield Margin.		
	The weighted average credit enhancement value as determined by the application of the LTV Test to the Loans exceeds the weighted average credit enhancement value as determined by the application of the LTV Test to the Loans at the most recent closing date plus 0.25%.		
	Loans other than Fixed Rate Loans which yield, post Funding Swap, less than three month Sterling LIBOR plus 0.50% and which have more than two years remaining on their incentive period account for more than 15% of the aggregate outstanding principal balance of the Loans in the Mortgages Trust.		
	Fixed Rate Loans which have more than one year remaining on their incentive period account for more than 50% of the aggregate outstanding principal balance of the Loans in the Mortgages Trust.		

Cashflows

Revenue receipts and principal receipts are allocated in accordance with 'The Mortgages Trust' and 'Cashflows' sections of the Base Prospectus. Briefly, on a monthly basis Mortgages Trust Revenue Receipts are allocated on a pro-rata basis between Funding 1, Funding 2 and the Seller based upon their respective shares in the Trust and Mortgages Trust Principal Receipts are allocated first on a pro-rata basis between Funding 1 and Funding 2 based upon their respective shares in the Trust and their outstanding cash accumulation requirements, until their requirements have been satisfied, and then to the Seller. On a quarterly basis, Funding 2 will distribute its receipts to the Master Issuer and in turn the issuing entity will distribute its respective receipts to the noteholders, via the paying agents and issuing entity swap providers.

Mortgages Trust Waterfall 6 Jan 2015

Mortgages Trust Revenue Receipts	£	59,296,254.59	Mortgages Trust Principal Receipts	£	305,170,515.61
Distribution					
Amounts due to the Servicer	£	855,310.36	Paid to Funding 1	£	-
Other amounts due	£	-	Paid to Funding 2	£	268,486,206.54
Paid to Funding 1	£	-	Paid to the Seller	£	36,684,309.07
Paid to Funding 2	£	30,001,640.53			
Paid to the Seller	£	28,439,303.70			
	£	59,296,254.59		£	305,170,515.61

Funding 2 Waterfall 15 Jan 2015

Funding 2 Available Revenue Receipts			Funding 2 Available Principal Receipts		
All Mortgages Trust Revenue Receipts distributed	£	95,255,547.86	All Mortgages Trust Principal Receipts distributed	£	848,747,169.74
Amounts paid by the Seller to Funding 2	£	137,053.62	Funding 2 Principal on Cash Accumulation Ledger	£	-
Interest on the Funding 2 bank accounts	£	1,029,163.65	Amounts to be credited to PDL	£	1,577,830.26
Amounts received under the Funding 2 Swap	£	-	Amounts made available from General Reserve	£	-
Amounts standing to credit General Reserve	£	405,000,000.00	Amounts made available from Liquidity Reserve	£	-
Amounts made available from Yield Reserve	£	-	Any other amount on Funding 2 Principal Ledger	£	-
Amounts made available from Liquidity Reserve	£	-			
Amount start-up loan not required for issue costs	£	-			
	£	501,421,765.13		£	850,325,000.00
Distribution					
Trustee and Agent fees	£	-	Towards replenishment General Reserve	£	-
Amounts due to the Master Issuer	£	1,329,558.03	CR Liquidity Reserve Fund to required amount	£	-
Other senior fees	£	-	Towards redeeming AAA Loan Tranches	£	-
Amounts due to the Cash Manager	£	527,618.63	Towards redeeming AA Loan Tranches	£	-
Amounts due to the Corporate Services Provider	£	-	Towards redeeming A Loan Tranches	£	-
Amounts payable under the Funding 2 Swap	£	31,023,634.37	Towards redeeming BBB Loan Tranches	£	-
Interest on AAA non-Yield Reserve Loan Tranches	£	3,181,026.03	CR Cash Accumulation Ledger	£	850,325,000.00
Towards Yield Reserve Primary Loan Interest Amt	£	33,321,484.08	CR Funding 2 Principal Ledger	£	-
Interest on AA Loan Tranches	£	-			
Interest on A Loan Tranches	£	2,091,588.49			
Interest on BBB Loan Tranches	£	-			
CR to General Reserve Fund to required amount	£	405,000,000.00			
Towards a credit to the Z Loan PDL	£	1,577,830.26			
Interest on Z Loans	£	9,374,263.74			
Other amounts due to Master Issuer	£	4,156.50			
Payment to Funding 2 in respect of profit	£	50,142.18			
Amounts due under the Start-up Loans	£	13,940,462.82			
Deferred Consideration to the Seller	£	-			
	£	501,421,765.13		£	850,325,000.00

Master Issuer Waterfall 15 Jan 2015

Master Issuer Revenue Receipts

Interest received in respect of Loan Tranches	£	41,565,019.93
Fees received under Master Intercompany Loan	£	1,333,714.53
Interest on the Master Issuer bank accounts	£	215.00
Any other net income	£	-
	£	42,898,949.46

Distribution

Trustee and Agent fees	£	-
Other senior fees	£	784,157.98
Amounts due to the Cash Manager	£	527,618.63
Amounts due to the Corporate Services Provider	£	17,781.42
Amounts due to swap providers re Class A Notes	£	19,910,427.93
Interest due on Class A Notes	£	19,563,003.51
Amounts due to swap providers re Class B Notes	£	-
Interest due on Class B Notes	£	-
Amounts due to swap providers re Class M Notes	£	-
Interest due on Class M Notes	£	2,091,588.49
Amounts due to swap providers re Class C Notes	£	-
Interest due on Class C Notes	£	-
Balance to the Master Issuer	£	4,371.50
	£	42,898,949.46

Master Issuer Principal Receipts

Principal repaid by Funding 2 per Master ICL	£	-
	£	-

Amounts due to swap providers re Class A Notes	£	-
Principal due on Class A Notes	£	-
Amounts due to swap providers re Class B Notes	£	-
Principal due on Class B Notes	£	-
Amounts due to swap providers re Class M Notes	£	-
Principal due on Class M Notes	£	-
Amounts due to swap providers re Class C Notes	£	-
Principal due on Class C Notes	£	-
	£	-

Key Counterparties

Issuing Entities	Permanent Master Issuer plc (Master Issuer),
Mortgages Trustee	Permanent Mortgages Trustee Limited
Depositors	Permanent Funding (No. 1) Limited (Funding 1), Permanent Funding (No. 2) Limited (Funding 2)
Seller	Bank of Scotland plc
Servicer	Bank of Scotland plc
Cash Manager	Bank of Scotland plc
Account Bank	Bank of Scotland plc
Issuing Entity Account Bank	Bank of Scotland plc
Security & Note Trustee	The Bank of New York Mellon
Agent Bank & Paying Agent(s)	Citibank, N.A.
Funding 2 Swap Provider	Bank of Scotland plc
Issuing Entity Swap	Bank of Scotland plc
Providers	Natixis

Glossary

Capitalised arrears	Arrears of interest may be capitalised with the agreement of the borrower once a borrower has made six consecutive scheduled payments of at least the contractual amount.
Constant Prepayment Rate	The Constant Prepayment Rate (CPR) is an annualised percentage reflecting the amount of principal prepaid in excess of scheduled principal receipts. CPR is currently unavailable.
Current LTV	Current LTV is calculated using the latest Indexed Valuation held in the Seller's records.
Indexed Valuation	Indexation is applied quarterly in January, April, July and October to property valuations using the Halifax House Price Index.
Defaulted Loan	A loan is defined as being in default when the property relating to that loan has been taken into possession.
Excess Spread	Excess Spread (%) is calculated by dividing the annual equivalent of the remaining Available Revenue Receipts after crediting the General Reserve Fund into the weighted average principal amount outstanding of the notes during the Interest Period.
Months in arrears	The amount of arrears divided by the current payment due. The arrears table on page 1 includes repossessions.
Mortgage Account	A mortgage account consists of one or more loans secured, by way of equal ranking first charge, on the same property and thereby forming a single mortgage account.
Original LTV	LTV at origination has been calculated using the valuation at origination of the initial loan in a mortgage account, where this is still held in the Seller's records. Where this original valuation is no longer held, the latest valuation has been used in the calculation. Any fees added to the initial loan at origination have been excluded from the calculation.
Outstanding principal balance	The aggregate principal balance of the loans including (without double counting) the initial advance, any further advance, any flexible loan drawing, capitalised expenses, capitalised arrears and capitalised interest less any prepayments, repayments or payments of the foregoing prior to the relevant date, plus accrued interest on the loans as at the relevant date.
Principal Payment Rate	Monthly PPR reflects the aggregate of scheduled and unscheduled principal receipts, including the proceeds from any loan repurchases by the Seller. It should be noted that in reports prior to November 2011, this was labelled CPR.
Region	Reported regions are NUTS1 classifications. NUTS is Nomenclature of Units for Territorial Statistics.
Scheduled Maturity Date	The date or dates when principal is scheduled to be repaid on bullet and scheduled amortisation notes and from when principal becomes payable on pass-through notes.
Seasoning	Seasoning is reported on an aggregated basis for each mortgage account. It is calculated using the origination date of the original loan in the mortgage account and ignores any subsequent loans in the mortgage account.
Type of Loan	The 'Type of loan' and 'Distribution of fixed rate loans' tables have been prepared on the basis of the type of loan applicable to each mortgage accounts primary product holding. In addition to the primary product holding, a mortgage account may have other active product holdings which may or may not be the same type as the primary product holding.