Loans Outstanding Balance of Loans at Closing Date	£	
Outstanding Balance of Loans at Closing Date		
	276,369,747	
Outstanding Balance of Loans @ start of immediately preceding calculation period Accrued Interest @ start of Calculation Period	307,754,382 153,663,008	
Redemptions Principal Balance of Loans redeemed in the immediately preceding Calculation period Principal Balance of Loans redeemed by cause:-	2,580,965	Since Inception 105,075,501
Death Borrower enters Long Term Care	916,736 449,800	34,098,503 7,943,551
Voluntary Repayment Move to Lower Value Property Substitutions	1,186,850 27,580	66,052,210 825,190 - <u>3,843,954</u>
Number of Loans redeemed in the immediately preceding Calculation period Number of Loans redeemed by cause	73	2,967
Death Borrower enters Long Term Care	12	910 195
Voluntary Repayment Move to Lower Value Property Substitutions	33 5 -	1,922 116 - 60
Redemption monies received	5,532,258	163,948,808
Equivalent Value Test this Calculation Period :- S&P model this Calculation Period :-	PASS PASS	
Substitution Substituted in the immediately preceding Calculation Period (O/S amount @ Closing Date)		
Substituted in the immediately preceding Octuation Period as a % of aggregate Outstanding Balance of the Loans @ Closing Date	0.00%	
Substituted to date as a % of aggregate Outstanding Balance of the Loans @ Closing Date	2.88%	
Early Amortisation Test		
Aggregate Loan Amount (in respect of all Outstanding Loans, the Outstanding Balance as at the Closing Date and in respect of substitute Loans, the Outstanding Balance as at the Loan Entry date)	N/A as A1 notes outstanding	
Weighted Averaged GIC Rate	N/A as A1 notes outstanding	
Outstanding Balance of Loans Outstanding Accrued Interest Outstanding Gross Balance Outstanding number of Ioans	156,936,311 308,446,720 5,108	
		At Calculation date for this
Product Breakdown by Loan O/S	At Closing	report
FIRP % FCRP %	2.7% 97.3%	2.6% 97.4%
Weighted Average Age of Borrowers @ Closing Date Weighted Average Age of borrowers - at Calculation date for this Quarterly report	72 81	
Age of Borrowers:- Single Female Single Male Joint Borrowers by Age of Younger	82 81 81	
Properties Sold / repayments (case by case):- Time to Sale (where available - time from death/assessment to repayment) (Days) Initial Valuation	N/A N/A	
Indexed Valuation (Initial Valuation + Hpi) Sale Price (where available)	N/A N/A	
Gross Mortgage Outstandings Shortfall	N/A N/A	
Loan Outstandings as a % of Sale Price	N/A	
Claim Submitted to No Negative Equity	N/A N/A	

## For all Mortgages repaid to date:-Weighted Average:-Time to Sale (where available - time from death/assessment to repayment) (Days) Sale Price as % of Indexed Valuation (Initial Valuation + Hpi) (where available) Shortfall as % of Mortgage Outstandings 223 N/A N/A Properties in Possession Repossessed Sold Number Carried Forward Average Time from Possesion to Sale Average Shortfall at Sale N/A N/A Insurance No Negative Equity Claims made total Claims Paid Claims O/S Claims not settled in full by number Claims not settled in full by amount of shortfall Average Time from Claim to Payment N/A Local Search Claims made (number) Claims Paid Claims O/S Claims not settled in full by number Claims not settled in full by number Claims not settled in full by amount of shortfall Average Time from Claim to Payment N/A Contingent Building Insurance claims made (number) Claims Paid Claims O/S Claims not settled in full by number Claims not settled in full by amount of shortfall Average Time from Claim to Payment -N/A Average Loan Outstanding Weighted Average LTV Weighted Average Indexed LTV £60,38 43.6% Weighted Average Interest Rate FIRP FCRP 8.29% 8.09%

 FCRP

 LTV Levels Breakdown (based on original valuation using P+I at date of report)

 0 - 29.99%

 30 - 34.99%

 40 - 44.99%

 50 - 54.99%

 50 - 54.99%

 50 - 64.99%

 50 - 64.99%

 55 - 59.99%

 60 - 64.99%

 55 - 69.99%

 70 - 74.99%

 75 - 79.99%

 80 - 84.99%

 80 - 84.99%

 85 - 89.99%

 90 - 94.99%

 95 - 99.99%

 100% +

 $\begin{array}{c} 0 & - \; 30\% \\ 30 & - \; 35\% \\ 35 & - \; 40\% \\ 40 & - \; 45\% \\ 45 & - \; 50\% \\ 55 & - \; 50\% \\ 55 & - \; 60\% \\ 60 & - \; 65\% \\ 65 & - \; 70\% \\ 70 & - \; 75\% \\ 75 & - \; 80\% \\ 80 & - \; 85\% \\ 85 & - \; 90\% \\ 90 & - \; 95\% \\ 95 & - \; 100\% \end{array}$ 

100% +

LTV Levels Breakdown (based on HPI adjusted valuation @ Calculation date)

80,196,951
29,962,255
35,517,689
22,025,292
37,141,045
21,867,772
38,198,518
2,581,702
11,544,147
17,515,480
2,174,613
4,631,383
4,357,990
458,844
273,040
243,879,140
243,879,140 39,363,731
39,363,731
 39,363,731 14,187,085
39,363,731 14,187,085 7,282,937
 39,363,731 14,187,085 7,282,937 3,057,284
39,363,731 14,187,085 7,282,937 3,057,284 624,125
39,363,731 14,187,085 7,282,937 3,057,284 624,125
39,363,731 14,187,085 7,282,937 3,057,284 624,125
39,363,731 14,187,085 7,282,937 3,057,284 624,125
 39,363,731 14,187,085 7,282,937 3,057,284 624,125
 39,363,731 14,187,085 7,282,937 3,057,284 624,125
 39,363,731 14,187,085 7,282,937 3,057,284 624,125
 39,363,731 14,187,085 7,282,937 3,057,284 624,125

Equity Release Funding (No. 2) plc Report for the immediately preceding interest period	19-Nov-10	
Linuddin <b>F</b> Westedow		
Liquidity Facility Ledger Initial Balance	£0 £0	
Last Calculation Period Closing Outstanding Available @ next IPD	£70,000,000	
Amount to be drawn at next IPD Liquidity Reserve Fund Ledger	£0	
Initial Balance on Closing	£25,000,000	
Outstanding as at the date of this Quarterly Report Accrued Interest to immediately succeeding interest payment date	£20,601,000 £26,892	
Less Mortgage Registration Reserve	£150,000	
Available Liquidity Reserve Fund Amount to be drawn at next IPD	£20,477,892 £26,892	
Closing balance	£20,601,000	
Deficiency Ledger		
Opening Balance	-£11,632 £0	
Closing Balance	-£11,632	
Optional Guarantee Ledger		
Opening Balance on Closing Date Claims Submitted as at date of this Quarterly Report	£0 £0	
Claims Paid as at date of this Quarterly Report	£0	
Claims Not recovered from NULAP this calculation period Total Claims not recovered from NULAP as at date of this Quarterly Report	£0 £0	
CCA Reserve	£500,000	
Surplus after payment of all payments due in the Waterfall (a) to (h)	£0	
Replenishment Amount as recorded in Replenishment Ledger Years 2002 to 2026 The greater of :-		
10% of Principal Amount O/S of Class A Notes @ IPD (net of redemptions @ IPD)		
and the amount (if any) necessary to maintain the Required Ratio of		
(a) the sum of the Aggregate Portfolio Amount and Adjusted Cash, and (b) the Principal Amount Outstanding of the Class A Notes		
(net of redemptions @ IPD)	N/A - A1 Notes O/S	
Years 2027 to 2031 The greater of:-		
10% of Principal Amount O/S of Class A Notes @ IPD (net of redemptions @ IPD),		
aggregate of all scheduled payments of interest and principal on the Class A Notes payable on the 4 immediately succeeding IPD's, and		
the amount (if any) necessary to maintain the Required Ratio of (a) the sum of the Aggregate Portfolio Amount and Adjusted Cash, and		
(b) the Principal Amount Outstanding of the Class A Notes (net of redemptions @ IPD).	N/A	
Voluntary Repayment Rate	3.22%	
The "Voluntary Prepayments Rate" is the [annualised value of the ratio	5.2270	
expressed as a percentage] calculated by dividing- (x) the aggregate of the initial outstanding balances of the Loans prepaid up to the relevant Calcul (y) the aggregate of the initial outstanding balances of all Loans in the Portfolio on the Closing Da		
Deferred Consideration released to Originator		
Deferred Consideration paid to Originator prior to the date of this Quarterly Report date Deferred Consideration paid to Originator during the calculation period	£0 £0	
Total Deferred Consideration paid to Originator.	£0	
Equity Release Funding (No.2) plc		
Name of Issue Date of Issue	Equity Release Funding (No.2) ple 11-Jun-2002	c
Moody's Current Rating S&P Current Rating	Aaa AAA	A2 Aaa AAA
Initial Note Balance	45,000,000.00	255.000.000.00
Note Principal @ start of period Note Redemptions @ IPD	1,550,500.00	255,000,000.00
Outstanding Note Principal	1,200,000.00 350,500.00	255,000,000.00
Note Interest Marrian		Fixed Date (5 0001)
Note Interest Margins Step Up Dates	LIBOR + 0.44% IPD May 2012	Fixed Rate (5.88%) N/A
Step Up Margins	LIBOR + 1.50%	N/A
Interest Payment Cycle Interest Payment Date	Quarterly 26th or Next Business Day	
Next Interest Payment Date	28-Feb-2011	
Hool Factor	0.007700	

Pool Factor

0.007789