

Monthly Report incorporating:

**Fosse Trustee Limited
Fosse Master Issuer plc
Fosse Funding (No. 1) Limited**

Report Date:	30-Jun-10
Reporting Period:	01-Jun-10 to 30-Jun-10
Trust Calculation Date:	01-Jul-10

DISCLAIMER: The following document has been prepared by Alliance & Leicester. The document is provided to you for information purposes only. The document is not intended as an offer or solicitation for the purchase or sale of any financial instrument. Whilst every effort has been taken to ensure that the document is accurate, current, complete, fit for its intended purpose and compliant with the relevant United Kingdom legislation and regulations as at the date of issue, Alliance & Leicester plc does not warrant that this document is accurate, current, complete, fit for its intended purpose and compliant with the relevant United Kingdom legislation and regulations as errors might occur due to circumstances which are beyond our control. In particular, Alliance & Leicester plc does not warrant that any market data or prices are complete or accurate. Any opinions or estimates expressed in the documents may be subject to change without notice and Alliance & Leicester plc is under no obligation to update its opinions, estimates or other of its affiliates, accept any liability whatsoever for any direct or consequential loss arising from any use of this document or its contents. Please remember that past performance is not necessarily a guide for future performance. The value of instruments and the income from them can go down as well as up.

DISCLAIMER: This document is a copy of the report produced in PDF format and available for downloading from www.alliance-leicester-group.co.uk. In the event of any differences in the data between the excel and PDF formats of the report the PDF report should always be assumed to be correct. Whilst every attempt is made to keep the format and content of the excel report the same each month Alliance & Leicester can not be held responsible for any changes and the implications it may have for individual manager's own spreadsheet links and macros.

Contacts:

All queries should be directed to:

Tom Ranger, Securitisation/Covered Bond 0207 756 6303 Tom.Ranger@santander.co.uk

MAIN PARTIES TO THE STRUCTURE

Alliance & Leicester plc Seller Servicer Cash Manager, Issuer Cash Manager Basis Swap Provider Start-up loan provider Company Secretarial Services Provider	Fosse Master Issuer plc Issuer	Citibank, N.A. Agent Bank Principal Paying Agent	Law Debenture Trust Company of New York Note Trustee Issuer Security Trustee Funding 1 Security Trustee	SFM Corporate Services Limited UK share trustee	Mourant & Co. Trustees Limited Jersey share trustee
	Fosse Trustee Limited Mortgages Trustee	Registrar Transfer Agent US Paying Agent Common Depository Exchange Rate Agent	Issuer Swap Providers ABN AMRO UBS AG Credit Suisse International The Royal Bank of Scotland plc Alliance & Leicester plc Abbey National plc	Structured Finance Management Limited Corporate services provider (UK)	Mourant & Co. Limited Corporate services provider (Jersey)
Abbey National plc Account bank, for Mortgages Trustee, Funding 1 and Issuer	Fosse Funding (No. 1) Limited Funding 1				

COLLATERAL REPORT

Mortgage Loan Profile	
Original number of Mortgage Loans in Pool	42,395
Original current value of Mortgage Loans in Pool	£ 3,399,995,370
Current number of Mortgage Loans in Pool	124,963
Current value of Mortgage Loans in Pool	£ 10,849,691,221
Current number of Mortgage Loan product holdings in Pool (A Mortgage Loan may have more than one active loan product)	179,233
Weighted Average Seasoning (Months)	53
Weighted Average Remaining Term (Months)	219
Average Loan Size	£ 86,823
Weighted Average unindexed LTV at last valuation (by value)	59.85%

Mortgage Trust Assets	
Current value of Mortgage Loans in Pool at 30-Jun-10	£ 10,849,691,221
Last months Closing Trust Assets at 31-May-10	£ 6,636,140,400
Principal Ledger as calculated on 1-Jul-10	£ 92,042,567
Funding Share as calculated on 1-Jul-10	£ 6,787,991,789
Funding Share % as calculated on 1-Jul-10	62.56392%
Seller Share as calculated on 1-Jul-10	£ 4,061,699,432
Seller Share % as calculated on 1-Jul-10	37.43608%
Minimum Seller Share (Amount)	£ 624,951,715
Minimum Seller Share (% of Total)	5.76009%

Arrears Analysis of Non Repossessed Mortgage Loans	Number	Current balance £	Arrears £	By Number %	By current balance %
Less than 1 month in arrears	124,087	10,760,751,727	-	99.31%	99.20%
1<=3 months in arrears	567	54,949,626	405,287	0.45%	0.51%
>3<=6 months in arrears	136	13,867,417	304,028	0.11%	0.13%
>6<=9 months in arrears	47	4,981,933	184,112	0.04%	0.05%
>9<=12 months in arrears	46	5,381,346	220,901	0.04%	0.05%
More than 12 months in arrears	62	7,424,297	482,779	0.05%	0.07%
Total	124,945	10,847,356,346	1,597,108	100.00%	100.00%

Arrears are calculated in accordance with standard market practice in the UK. A mortgage is identified as being in arrears when, on any due date, the overdue amounts which were due on previous dates equal one or more full monthly payments and the total of arrears across all sub-accounts exceeds £150.

Properties in Possession	Number	Current balance £	Arrears £	Loss Amount £
Total Properties in Possession Since Inception	64	7,859,998		1,092,715
Repossessed (In Month)	1	101,294		
Sold (In Month)	3	546,566		
Current Number in Possession	18	2,334,874		
Total Properties Sold Since Inception	46	5,525,124		
Total Loss on Sale Brought Forward				1,092,715
Loss this Period				0
Total Loss on Sale Carried Forward				1,092,715
Recoveries				
Total Net Loss				1,092,715

Substitution, redemptions and repurchases	Number of accounts this period	Current balance this period £
Substitution & Top up	42,051	4,312,895,908
Redeemed this period*	993	66,749,879
Repurchases this period	0	0

*Redemptions this period include 297 accounts where minor balances totalling £ 17,667 remain to be collected after redemption. These balances have been repurchased by the Seller.

CPR Analysis *	1 Month CPR	12 Month CPR (Annualised)
	%	%
Current month	0.89%	14.09%
Previous month	1.27%	14.32%

* The CPR calculation includes repurchases by the Seller from the Trust

Product Breakdown (By Balance)	No of product holdings	% by number	Current balance £	% by balance
Bank of England Base Rate Tracker Loans	62,504	34.87%	4,097,041,677	37.76%
Fixed Rate Loans	64,111	35.77%	4,854,370,056	44.74%
Discounted SVR Loans	11,351	6.33%	540,747,868	4.98%
Standard Variable Loans	41,267	23.02%	1,357,531,620	12.51%
Total	179,233	100.00%	10,849,691,221	100.00%

Standard Variable Rate	
Existing Borrowers SVR	4.99%
Effective Date Of Change	02-Mar-09
Previous Existing Borrowers SVR	5.09%
Effective Date of Change	02-Feb-09

Payment Type (By Balance)	No of product holdings	% by number	Current balance £	% by balance
Repayment	125,564	70.06%	6,644,693,672	61.24%
Interest only and Combined repayment & int-only	53,669	29.94%	4,204,997,548	38.76%
Total	179,233	100.00%	10,849,691,221	100.00%

Use Of Proceeds (By Balance)	No of product holdings	% by number	Current balance £	% by balance
House Purchase	78,842	43.99%	6,411,860,843	59.10%
Remortgage	100,389	56.01%	4,437,734,649	40.90%
Other	2	0.00%	95,729	0.00%
Total	179,233	100.00%	10,849,691,221	100.00%

Analysis of Mortgage loan size at reporting date £	Number of accounts	% by number	Current balance £	% by balance
>0 =<50,000	39,725	31.79%	1,125,099,149	10.37%
>50,000 =<100,000	45,394	36.33%	3,329,637,369	30.69%
>100,000 =<150,000	23,746	19.00%	2,887,907,033	26.62%
>150,000 =<200,000	9,172	7.34%	1,568,690,253	14.46%
>200,000 =<250,000	3,585	2.87%	791,632,109	7.30%
>250,000 =<300,000	1,511	1.21%	409,901,471	3.78%
>300,000 =<350,000	774	0.62%	249,785,587	2.30%
>350,000 =<400,000	394	0.32%	146,332,600	1.35%
>400,000 =<450,000	224	0.18%	94,418,609	0.87%
>450,000 =<500,000	168	0.13%	79,479,253	0.73%
>500,000 =<550,000	92	0.07%	47,571,083	0.44%
>550,000 =<600,000	58	0.05%	33,401,951	0.31%
>600,000 =<650,000	37	0.03%	23,010,816	0.21%
>650,000 =<700,000	32	0.03%	21,579,211	0.20%
>700,000 =<750,000	51	0.04%	41,244,724	0.38%
Total	124,963	100.00%	10,849,691,221	100.00%

Geographical Analysis By Region	Number of accounts	% by number	Current balance £	% by balance
East Anglia	4,729	3.78%	391,705,728	3.61%
East Midlands	10,451	8.36%	753,936,051	6.95%
Greater London	5,402	4.32%	834,112,749	7.69%
Northern England	5,309	4.25%	393,194,878	3.62%
North West	12,190	9.75%	945,784,946	8.72%
South East	24,473	19.58%	2,829,129,038	26.08%
South West	10,086	8.07%	899,743,792	8.29%
West Midlands	8,875	7.10%	731,803,132	6.74%
Yorkshire & Humberside	10,523	8.42%	782,372,817	7.21%
Scotland	19,273	15.42%	1,372,240,897	12.65%
Wales	6,096	4.88%	439,533,995	4.05%
Northern Ireland	7,556	6.05%	476,133,197	4.39%
Total	124,963	100.00%	10,849,691,221	100.00%

Loan to Value at Last Valuation	Number	%	Current balance	%
Using current capital balance and unindexed latest valuation	of accounts	by number	£	by balance
>0% =<25%	20,833	16.67%	596,883,486	5.50%
>25% =<50%	37,783	30.24%	2,610,734,641	24.06%
>50% =<75%	46,427	37.15%	5,074,457,068	46.77%
>75% =<80%	7,056	5.65%	908,729,457	8.38%
>80% =<85%	6,968	5.58%	914,890,357	8.43%
>85% =<90%	3,753	3.00%	492,055,016	4.54%
>90% =<95%	1,406	1.13%	167,625,991	1.54%
>95% =<100%	696	0.56%	78,573,556	0.72%
>100%	41	0.03%	5,741,649	0.05%
Total	124,963	100.00%	10,849,691,221	100.00%

Indexed Current Loan to Value	Number	%	Current balance	%
Using current capital balance and HPI indexed latest valuation	of accounts	by number	£	by balance
>0% =<25%	27,800	22.25%	864,883,885	7.97%
>25% =<50%	39,065	31.26%	2,842,383,051	26.20%
>50% =<75%	37,620	30.10%	4,398,020,903	40.54%
>75% =<80%	5,468	4.38%	723,719,317	6.67%
>80% =<85%	6,195	4.96%	834,306,783	7.69%
>85% =<90%	3,895	3.12%	528,502,164	4.87%
>90% =<95%	2,494	2.00%	336,917,038	3.11%
>95% =<100%	1,179	0.94%	155,364,131	1.43%
>100%	1,247	1.00%	165,593,949	1.53%
Total	124,963	100.00%	10,849,691,221	100.00%

LOAN NOTE REPORT

Closing date 28/11/2006
Report date 30/06/2010

Series 2006-1 Notes

2006-1	ISIN	Ratings S&P/Moody's/Fitch	Currency	Original Balance	Repaid	Outstanding	Reference rate	Margin p.a.%	Current interest rate p.a.%	Next coupon date	Interest next coupon	Step up Date	Legal Maturity
A1	XS0274283984	AAA/Aaa/AAA	USD	937,500,000	(937,500,000)	0	1M USD LIBOR	0.03000%	-	-	-	Jul-2011	Oct-2031
A2	XS0274284792	AAA/Aaa/AAA	USD	1,250,000,000	(904,215,348)	345,784,652	3M USD LIBOR	0.06000%	0.36438%	19/07/2010	318,492	Jul-2011	Oct-2054
A3	XS0274289759	AAA/Aaa/AAA	EUR	937,500,000	0	937,500,000	3M EURIBOR	0.10000%	0.74400%	19/07/2010	1,763,125	Jul-2011	Oct-2054
A4	XS0274293785	AAA/Aaa/AAA	GBP	542,000,000	0	542,000,000	3M GBP LIBOR	0.11000%	0.76281%	19/07/2010	1,030,776	Jan-2013	Oct-2054
B1	XS0274285336	AA/Aa3/AA	USD	33,500,000	(33,500,000)	0	3M USD LIBOR	0.09000%	-	-	-	Jul-2011	Oct-2054
B2	XS0274285682	AA/Aa3/AA	USD	45,000,000	0	45,000,000	3M USD LIBOR	0.16000%	0.46438%	19/07/2010	52,823	Jul-2011	Oct-2054
B3	XS0274290252	AA/Aa3/AA	EUR	37,000,000	0	37,000,000	3M EURIBOR	0.17000%	0.81400%	19/07/2010	76,132	Jan-2013	Oct-2054
B4	XS0274294163	AA/Aa3/AA	GBP	16,750,000	0	16,750,000	3M GBP LIBOR	0.17000%	0.82281%	19/07/2010	34,361	Jan-2013	Oct-2054
M1	XS0274286730	A/A2/A	USD	26,000,000	(26,000,000)	0	3M USD LIBOR	0.17000%	-	-	-	Jul-2011	Oct-2054
M2	XS0274287621	A/A2/A	USD	34,500,000	0	34,500,000	3M USD LIBOR	0.25000%	0.55438%	19/07/2010	48,347	Jul-2011	Oct-2054
M3	XS0274291060	A/A2/A	EUR	27,500,000	0	27,500,000	3M EURIBOR	0.27000%	0.91400%	19/07/2010	63,536	Jan-2013	Oct-2054
M4	XS0274294759	A/A2/A	GBP	13,750,000	0	13,750,000	3M GBP LIBOR	0.27000%	0.92281%	19/07/2010	31,635	Jan-2013	Oct-2054
C2	XS0274288942	BBB/Baa2/BBB	USD	40,500,000	0	40,500,000	3M USD LIBOR	0.47000%	0.77438%	19/07/2010	79,277	Jul-2011	Oct-2054
C3	XS0274291656	BBB/Baa2/BBB	EUR	22,500,000	0	22,500,000	3M EURIBOR	0.45000%	1.09400%	19/07/2010	62,221	Jan-2013	Oct-2054
C4	XS0274294916	BBB/Baa2/BBB	GBP	6,250,000	0	6,250,000	3M GBP LIBOR	0.45000%	1.10281%	19/07/2010	17,184	Jan-2013	Oct-2054

Closing date 01/08/2007

Series 2007-1 Notes

2007-1	ISIN	Ratings S&P/Moody's/Fitch	Currency	Original Balance	Repaid	Outstanding	Reference rate	Margin p.a.%	Current interest rate p.a.%	Next coupon date	Interest next coupon	Step up Date	Legal Maturity
A1a	XS0312388035	AAA/Aaa/AAA	USD	540,000,000	(540,000,000)	0	1M USD LIBOR	0.05000%	-	-	-	Jul-2012	Nov-2031
A1b	XS0312977613	AAA/Aaa/AAA	EUR	550,000,000	(550,000,000)	0	3M EURIBOR	0.06000%	-	-	-	Jul-2012	Nov-2031
A2	XS0312388209	AAA/Aaa/AAA	USD	450,000,000	(221,590,465)	228,409,535	3M USD LIBOR	0.08000%	0.38438%	19/07/2010	221,929	Jul-2012	Oct-2054
A3	XS0312388548	AAA/Aaa/AAA	EUR	685,000,000	0	685,000,000	3M EURIBOR	0.12000%	0.76400%	19/07/2010	1,322,887	Jul-2012	Oct-2054
A4	XS0312388621	AAA/Aaa/AAA	GBP	775,000,000	0	775,000,000	3M GBP LIBOR	0.13000%	0.78281%	19/07/2010	1,512,539	Jul-2012	Oct-2054
A5	XS0312915340	AAA/Aaa/AAA	USD	500,000,000	0	500,000,000	3M USD LIBOR	0.10000%	0.40438%	19/07/2010	511,091	Jul-2012	Oct-2054
B1	XS0312389272	AA/Aa3/AA	USD	36,250,000	(36,250,000)	0	3M USD LIBOR	0.15000%	-	-	-	Apr-2010	Oct-2054
B3	XS0312389439	AA/Aa3/AA	EUR	70,000,000	(70,000,000)	0	3M EURIBOR	0.20000%	-	-	-	Apr-2010	Oct-2054
B4	XS0312389603	AA/Aa3/AA	GBP	12,000,000	(12,000,000)	0	3M GBP LIBOR	0.20000%	-	-	-	Apr-2010	Oct-2054
M1	XS0312389785	A/A2/A	USD	20,200,000	(20,200,000)	0	3M USD LIBOR	0.30000%	-	-	-	Apr-2010	Oct-2054
M3	XS0312390015	A/A2/A	EUR	28,500,000	(28,500,000)	0	3M EURIBOR	0.35000%	-	-	-	Apr-2010	Oct-2054
M4	XS0312390106	A/A2/A	GBP	30,000,000	(30,000,000)	0	3M GBP LIBOR	0.35000%	-	-	-	Apr-2010	Oct-2054
C2	XS0312390957	BBB/Baa2/BBB	USD	25,000,000	(25,000,000)	0	3M USD LIBOR	0.55000%	-	-	-	Apr-2010	Oct-2054
C3	XS0312391179	BBB/Baa2/BBB	EUR	14,000,000	(14,000,000)	0	3M EURIBOR	0.55000%	-	-	-	Apr-2010	Oct-2054
C4	XS0312391252	BBB/Baa2/BBB	GBP	18,000,000	(18,000,000)	0	3M GBP LIBOR	0.55000%	-	-	-	Apr-2010	Oct-2054

Fosse Master Trust Investors' Report - June 2010

Closing date 21/08/2008 Series 2008-1 Notes

2008-1	ISIN	Ratings S&P/Moody's/Fitch	Currency	Original Balance	Repaid	Outstanding	Reference rate	Margin p.a.%	Current interest rate p.a.%	Next coupon date	Interest next coupon	Step up Date	Legal Maturity
A1	XS0383826756	AAA/Aaa/AAA	USD	150,000,000	(150,000,000)	0	3M USD LIBOR	0.60000%	-	-	-	Jan-2010	Oct-2054
A2	XS0383827051	AAA/Aaa/AAA	EUR	400,000,000	(94,459,037)	305,540,963	3M EURIBOR	0.90000%	1.54400%	19/07/2010	1,192,492	Oct-2012	Oct-2054

Closing date 12/03/2010 Series 2010-1 Notes

2010-1	ISIN	Ratings S&P/Moody's/Fitch	Currency	Original Balance	Repaid	Outstanding	Reference rate	Margin p.a.%	Current interest rate p.a.%	Next coupon date	Interest next coupon	Step up Date	Legal Maturity
A1	XS0493851298	AAA/Aaa/AAA	GBP	205,000,000	0	205,000,000	3M GBP LIBOR	1.20000%	1.93285%	19/07/2010	1,400,390	Jan-2015	Oct-2054
A2	XS0493852858	AAA/Aaa/AAA	EUR	775,000,000	0	775,000,000	3M EURIBOR	1.20000%	1.97500%	19/07/2010	5,484,740	Jan-2015	Oct-2054
A3	XS0493854631	AAA/Aaa/AAA	GBP	525,000,000	0	525,000,000	GBP mid-swaps	0.90000%	4.63500%	19/07/2010	8,604,225	Jan-2017	Oct-2054
Z	XS0493858202	N/A	GBP	389,000,000	0	389,000,000	3M GBP LIBOR	0.90000%	1.63285%	19/07/2010	2,244,878	Jan-2017	Oct-2054

Closing date 03/06/2010 Series 2010-2 Notes

2010-2	ISIN	Ratings S&P/Moody's/Fitch	Currency	Original Balance	Repaid	Outstanding	Reference rate	Margin p.a.%	Current interest rate p.a.%	Next coupon date	Interest next coupon	Step up Date	Legal Maturity
A1	XS0513923614	AAA/Aaa/AAA	USD	1,200,000,000	0	1,200,000,000	3M USD LIBOR	1.43000%	2.06736%	18/10/2010	9,440,944	Apr-2013	Oct-2054
A2	XS0513927797	AAA/Aaa/AAA	EUR	500,000,000	0	500,000,000	3M EURIBOR	1.40000%	2.23700%	18/10/2010	4,256,514	Apr-2013	Oct-2054
A3	XS0513929900	AAA/Aaa/AAA	GBP	210,000,000	0	210,000,000	3M GBP LIBOR	1.40000%	2.24000%	18/10/2010	1,765,611	Apr-2013	Oct-2054
Z	XS0513941194	N/A	GBP	251,000,000	0	251,000,000	3M GBP LIBOR	0.90000%	1.74000%	18/10/2010	1,639,271	Apr-2013	Oct-2054

Combined Credit Enhancement	Total £	% of Total	Current note subordination	Subordination +Reserve Fund	% Required
Class A Notes	6,082,039,749.67	88.40%	11.60%	13.57%	9.25%
Class B Notes	65,161,725.15	0.95%	10.65%	12.62%	5.95%
Class M Notes	50,282,826.98	0.73%	9.92%	11.89%	3.40%
Class C Notes	42,557,607.10	0.62%	9.30%	11.27%	1.70%
Class Z Notes	640,000,000.00	9.30%	0.00%	0.00%	0.00%
	6,880,041,908.91	100.00%			
Funding Reserve Fund Requirement	£135,500,000	1.97%			

Interest shortfall in period	£0
Cumulative interest shortfall	£0
Principal shortfall in period	£0
Cumulative principal shortfall	£0
Cumulative net loss	£0
Excess principal paid in current period	£0

Funding Reserve Fund	
Balance Brought Forward	£135,500,000
Drawings	£0
Top Up	£0
Balance Carried Forward	£135,500,000

Funding Principal Ledger-AAA	£92,042,567
Funding Principal Ledger-AA	£0
Funding Principal Ledger-A	£0
Funding Principal Ledger-BBB	£0
Total Funding Principal Ledger	£92,042,567

Excess Spread	
Excess Spread This Month Annualised	1.04%
Excess Spread Rolling 12 Month Average	0.97%

*Excess spread is calculated at each quarterly interest payment date

TRIGGER EVENTS	
Asset Amount debited to AAA principal deficiency sub ledger (Funding programme notes outstanding)	None
Non Asset Insolvency event occurs in relation to Seller	None
Sellers role as administrator terminated & new administrator is not appointed within 60 days	None
The then current Seller Share is less than the adjusted Minimum Seller Share for 2 consecutive Trust Calculation Dates	None
The aggregate outstanding principal balance of loans in the Trust is less than the required loan balance amount specified in the most recent final terms	None
An arrears trigger event will occur if: The outstanding principal balance of the loans in arrears for more than 3 times the monthly payment then due divided by the outstanding principal balance of all of the loans in the mortgages trust (expressed as a percentage) exceeds 2 per cent.	None
Full details of all trigger events can be found within the Fosse Master Issuer plc offering circular	

Notes

1 Current number of mortgages

This is the sum of all product holdings secured by a borrower(s) on a single property.

2 Current value of mortgages

Includes all amounts of principal, interest and fees as yet unpaid by the borrower.

3 Funder Share

The percentage funder share is calculated net of accrued interest.

4 Seasoning

This is the age of the loan at the report date in months based on the Main Mortgage Completion Date.

Main Mortgage Completion Date is the date the borrower first took out a loan on the secured property. The initial loan may have been repaid and replaced by subsequent lending under the same mortgage agreement and updated terms and conditions.

5 Remaining term

This is the remaining term of the loan at the report date in months .

6 Product breakdown

Bank of England Base Rate Tracker Loans includes loans issued at a discount or premium to base rate.

All loans in the Discount category are linked to SVR.

7 Payment Type

Most loans that are not fully repayment mortgages comprise an interest only portion, on which there are no scheduled principal repayments and a repayment portion for which there is a scheduled amortisation.

8 Loan to Value (LTV) at Last Valuation

Further advances may be made on existing loans based on the indexed LTV without carrying out a formal valuation. This occasionally gives rise to the unindexed LTV recording an unrealistically high LTV. Indexed and unindexed LTVs include all further advances on a loan - but exclude any flexible drawdown reservoir.