

THIS NOTICE IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU ARE RECOMMENDED TO SEEK YOUR OWN FINANCIAL ADVICE IMMEDIATELY FROM YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER INDEPENDENT FINANCIAL ADVISER WHO, IF YOU ARE TAKING ADVICE IN THE UNITED KINGDOM, IS DULY AUTHORISED UNDER THE FINANCIAL SERVICES AND MARKETS ACT 2000.

**ABBEY NATIONAL TREASURY SERVICES plc
SANTANDER UK plc**

NOTICE

to the holders of the outstanding series of notes listed in the Schedule hereto (the Notes)

**issued under the Euro Medium Term Note Programme of
Abbey National Treasury Services plc
(as Issuer of Senior Notes)**

and

**Santander UK plc (formerly Abbey National plc)
(as Issuer of Subordinated Notes and Guarantor of Senior Notes issued by Abbey National Treasury
Services plc)**

**Proposed transfer to Santander UK plc of the business of Alliance & Leicester plc under Part VII of
the Financial Services and Markets Act 2000**

NOTICE IS HEREBY GIVEN to the holders of the Notes (the **Noteholders**) of the proposed transfer (the **Transfer**) of the business of Alliance & Leicester plc (**A&L**) to Santander UK plc (**Santander UK**) (formerly Abbey National plc (**Abbey**)) and the right of any person who believes that they would be adversely affected by the Transfer to appear at the Court (as defined below) hearing and object to it, as further described below. If the Court approves the Transfer, it is expected to take effect from and including 28 May 2010.

Background to the Transfer

Abbey became part of the Santander Group in 2004 and, in 2008, A&L and the Bradford & Bingley savings business and branches became part of the Santander Group's operations in the UK. The intention is to bring Abbey, the Bradford & Bingley savings business and A&L together under the Santander name. The first step of this process was completed in January this year when Abbey and the Bradford & Bingley savings business were re-branded as Santander.

The next step is to integrate the A&L banking and related business with Santander UK. The Transfer will facilitate the integration of the three businesses.

The mechanics of the Transfer

The Transfer will be governed by the provisions of Part VII of the Financial Services and Markets Act 2000 (**Part VII**). The Transfer requires the approval of the Court. In considering whether to give its approval, the Court will take into account whether the Transfer adversely affects creditors, customers, counterparties to contracts and others. In addition to the Court hearing, the Financial Services Authority will carry out a limited review of the proposed Transfer.

The Court hearing will take place on 13 May 2010 and will be held at The Royal Courts of Justice, Strand, London, WC2A 2LL in the Companies Court of the High Court (Chancery Division) (the **Court**). Under Part VII, anyone who believes that they will be adversely affected as a result of the Transfer can appear at the Court hearing to raise their objections. Any person who intends so to appear, or who objects to the Transfer but does not intend so to appear, is requested to give not less than three clear days' prior notice in writing of such intention or objection, and the reasons therefor, by writing to Joanne Steven at Lovells LLP, Atlantic House, 50 Holborn Viaduct, London EC1A 2FG. Lovells LLP will ensure that your objections are raised at the Court hearing.

If the date of the Court hearing is changed for any reason, we will notify the new date to any Noteholders who have contacted Lovells LLP to register an objection. The website of Santander UK (www.santander.co.uk) and the website of A&L (www.alliance-leicester.co.uk), where various materials relating to the Transfer can be obtained, will also be updated.

Relevance to the Notes

The Transfer will not involve a change in the issuer or guarantor of the Notes.

A&L constitutes a "Principal Subsidiary" for the purposes of the Notes and, as a result of the Transfer, A&L shall cease to carry on "*the whole or a substantial part of its business*" (Condition 10(a)(iv)). As part of the Transfer, however, Santander UK and A&L will request that the relevant Court order provides that the Transfer shall not, in relation to any liability of any member of the Santander UK Group (including Abbey National Treasury Services plc (**ANTS**) and Santander UK), constitute a breach of, default, event of default, potential event of default or other similar event under, any agreement, instrument, trust deed or obligation (including the Events of Default under the Notes).

As described above, however, under Part VII, anyone who believes that they will be adversely affected as a result of the Transfer can appear at the Court hearing to raise their objections. Santander UK and ANTS do not believe that the Transfer will adversely affect the interests of the Noteholders or give rise to any grounds for objection. Substantially all of A&L's business will vest in Santander UK pursuant to the Transfer (i.e. from a Principal Subsidiary to the Issuer/Guarantor). Standard & Poor's Ratings Services has publicly announced that the ratings of the Notes will be unaffected by the Transfer and Moody's Investors Service has given no indication that it intends to take any adverse rating action as a result of the Transfer.

Santander UK and ANTS have notified The Law Debenture Trust Corporation p.l.c. as trustee for the holders of the Notes (the **Trustee**) of the Transfer. In accordance with normal practice, the Trustee has had no involvement with the Transfer or its formulation and expresses no opinion as to the merits of the Transfer or its impact on the position of the holders of the Notes. Furthermore, the Trustee does not accept responsibility for the accuracy or completeness of this notice or any other document prepared in connection with the Transfer. The Trustee has confirmed to us that it does not currently intend to attend the Court hearing or raise any objection in respect of the Transfer but Noteholders are reminded that if they believe that they may be adversely affected by the Transfer they are entitled to attend or raise objections (in accordance with the provisions of the section "The mechanics of the Transfer" above) and be heard at the Court hearing.

Date of the Transfer

As long as the Court gives its approval, the Transfer is expected to become effective from and including 28 May 2010.

Further information about the Transfer

Copies of a statement setting out the terms of the Transfer and further information can be obtained free of charge from Alliance & Leicester plc, from its website at www.alliance-leicester.co.uk, from www.santander.co.uk and by writing to Alliance & Leicester plc at 2 Triton Square, Regent's Place, London NW1 3AN or by telephone on +44 800 015 0964.

PRINCIPAL PAYING AGENT

Citibank, N.A., London Branch

21st Floor
Citigroup Centre
Canada Square
Canary Wharf
London E14 5LB

This notice is given by ABBEY NATIONAL TREASURY SERVICES plc and SANTANDER UK plc on 27 April 2010

SCHEDULE

The Notes

ISIN		
XS0174466143	XS0217830560	XS0218589603
XS0174053735	XS0294014385	XS0307492354
XS0170343916	XS0263477779	XS0334906236
XS0168568862	XS0236234802	XS0333827078
XS0163949802	XS0236610712	XS0206029026
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XS0145795240	XS0219590493	XS0205459687
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XS0151749511	XS0272059253	XS0453101593
XS0143690153	XS0266550564	XS0201222261
XS0142625044	XS0410574916	XS0215042200
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XS0140802108	XS0459050398	XS0376676259
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XS0163581001	XS0455347236	XS0499334521
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XS0219655023	XS0442303565	
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