

## EXECUTION COPY

### FINAL TERMS DOCUMENT

13 April 2011

#### Abbey National Treasury Services plc

**Issue of £1,250,000,000 5.125 per cent. Covered Bonds due 2021  
unconditionally guaranteed by Santander UK plc and  
irrevocably and unconditionally guaranteed as to payment of principal and interest by  
Abbey Covered Bonds LLP  
under the €25 billion  
Global Covered Bond Programme**

The Programme has been registered and notice of these Covered Bonds will be made under the Regulated Covered Bonds Regulations 2008 (SI 2008/346).

The Prospectus referred to below (as completed by this Final Terms Document) has been prepared on the basis that any offer of Covered Bonds in any Member State of the European Economic Area which has implemented the Prospectus Directive (2003/71/EC) (each, a **Relevant Member State**) will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of the Covered Bonds. Accordingly any person making or intending to make an offer in that Relevant Member State of the Covered Bonds may only do so in circumstances in which no obligation arises for the Issuer, the Group Guarantor, the LLP or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer. Neither the Issuer, the Group Guarantor, the LLP nor any Dealer has authorised, nor do they authorise, the making of any offer of Covered Bonds in any other circumstances.

#### PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions set forth in the Prospectus dated 9 September 2010 (as supplemented on 8 November 2010, 10 December 2010 and 25 March 2011 and as the same may be further supplemented from time to time) which constitutes a base prospectus (the **Prospectus**) for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the **Prospectus Directive**). This document constitutes the final terms of the Covered Bonds described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Prospectus. Full information on the Issuer, the Group Guarantor and the LLP and the offer of the Covered Bonds is only available on the basis of the combination of this Final Terms Document and the Prospectus. Copies of the Prospectus are available free of charge to the public at the registered office of the Issuer and from the specified office of each of the Paying Agents.

- |    |     |                 |  |
|----|-----|-----------------|--|
| 1. | (a) | Issuer:         | Abbey National Treasury Services plc         |
|    | (b) | Guarantors:     | Santander UK plc and Abbey Covered Bonds LLP |
| 2. | (a) | Series Number:  | 24   |
|    | (b) | Tranche Number: | 1  |

3.	Specified Currency or Currencies:	Sterling (GBP)
4.	Money Market Covered Bonds:	Not Applicable
5.	Do the Covered Bonds have the benefit of remarketing arrangements:	Not Applicable
6.	Aggregate Nominal Amount of Covered Bonds admitted to trading:	
	(a) Series:	£1,250,000,000
	(b) Tranche:	£1,250,000,000
7.	Issue Price:	99.725 per cent. of the aggregate nominal amount
8.	(a) Specified Denominations:	£100,000 and integral multiples of £1,000 in excess thereof up to and including £199,000. No Covered Bonds in definitive form will be issued with a denomination above £199,000
	(b) Calculation Amount:	£1,000
9.	(a) Issue Date:	14 April 2011
	(b) Interest Commencement Date:	Issue Date
10.	(a) Final Maturity Date:	14 April 2021
	(b) Extended Due for Payment Date of Guaranteed Amounts corresponding to the Final Redemption Amount under the Covered Bond Guarantee:	14 April 2022
11.	Interest Basis:	5.125 per cent. Fixed Rate from and including the Issue Date to but excluding the Final Maturity Date  (Further particulars specified below)
12.	Redemption/Payment Basis:	Redemption at par
13.	Change of Interest Basis or Redemption/Payment Basis:	From and including the Final Maturity Date the following Interest provisions apply:  Interest Basis: Applicable from and including the Final Maturity Date to but excluding the Extended Due for Payment Date: 1 Month LIBOR + 1.27 per cent. per annum Floating Rate  Interest Payment Dates: 14th day of each month, from but excluding the Final Maturity

Date to and including the Extended Due for Payment Date

Interest Period: The period from and including the Final Maturity Date, or as the case may be an Interest Payment Date, to but excluding the next following Interest Payment Date

Modified Following Business Day Convention

Business Days: London, TARGET2

Day Count Fraction: Actual/365 (adjusted)

Interest Determination Dates: The second day on which the TARGET2 System is open prior to the start of each Interest Period

Screen Rate Determination

Relevant Screen Page: Reuters LIBOR 01

14. Put/Call Options: Not Applicable

15. (a) Status of the Covered Bonds: Senior

(b) Status of the Guarantees: Senior

16. Method of distribution: Syndicated

#### PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

17. Fixed Rate Covered Bond Provisions: Applicable from and including the Issue Date to but excluding the Final Maturity Date

(a) Rate(s) of Interest: 5.125 per cent. per annum payable annually in arrear

(b) Interest Payment Date(s): 14 April in each year up to and including the Final Maturity Date

(c) Business Day Convention: Following Business Day Convention. However, the Interest Period in respect of the Covered Bonds shall be determined on the basis that the Interest Payment Dates are unadjusted

(d) Business Day(s): London, TARGET2

Additional Business Centre(s): Not Applicable

(e) Fixed Coupon Amount(s): £51.25 per Calculation Amount per annum

(f)	Broken Amount(s):	Not Applicable
(g)	Day Count Fraction:	Actual/Actual (ICMA) (not adjusted)
(h)	Determination Date(s):	14 April in each year
(i)	Other terms relating to the method of calculating interest for Fixed Rate Covered Bonds:	Not Applicable
18.	Floating Rate Covered Bond Provisions:	Not Applicable (save as set out in paragraph 13 above)
19.	Zero Coupon Covered Bond Provisions:	Not Applicable
20.	Variable Interest Covered Bond Provisions (other than Dual Currency Interest Covered Bonds):	Not Applicable
21.	Dual Currency Interest Covered Bond Provisions:	Not Applicable

#### PROVISIONS RELATING TO REDEMPTION

22.	Issuer Call:	Not Applicable
23.	Investor Put:	Not Applicable
24.	Final Redemption Amount of each Covered Bond:	100 per cent.
25.	Early Redemption Amount of each Covered Bond payable on redemption for taxation reasons or on event of default, etc. and/or the method of calculating the same (if required or if different from that set out in Condition 6.8):	As set out in Condition 6.8

#### GENERAL PROVISIONS APPLICABLE TO THE COVERED BONDS

26.	Form of Covered Bonds:	Bearer Covered Bonds:  Temporary Global Covered Bond exchangeable for a Permanent Global Covered Bond which is exchangeable for Bearer Definitive Covered Bonds only upon an Exchange Event
27.	New Global Covered Bond:	Yes
28.	Financial Centre(s) or other special provisions relating to payment dates:	Not Applicable
29.	Talons for future Coupons or Receipts to be	No

attached to Bearer Definitive Covered Bonds  
(and dates on which such Talons mature):

- |     |  |                |
|-----|--|----------------|
| 30. | Details relating to Partly Paid Covered Bonds: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences of failure to pay, including any right of the Issuer to forfeit the Covered Bonds and interest due on late payment: | Not Applicable |
| 31. | Details relating to Instalment Covered Bonds:  |                |
|     | (a) Instalment Amount(s):  | Not Applicable |
|     | (b) Instalment Date(s):  | Not Applicable |
| 32. | Redenomination, renominatisation and reconventioning provisions:   | Not Applicable |
| 33. | Other terms or special conditions:   | Not Applicable |

#### DISTRIBUTION

- |     |  |   |
|-----|--|---|
| 34. | (a) If syndicated, names of Managers:          | <p>Banco Santander, S.A.</p> <p>Barclays Bank PLC</p> <p>BNP Paribas</p> <p>UBS Limited</p> |
|     | (b) Date of Subscription Agreement:            | 13 April 2011   |
|     | (c) Stabilising Manager (if any):              | Not Applicable  |
| 35. | If non-syndicated, name and address of Dealer: | Not Applicable  |
| 36. | U.S. Selling Restrictions:                     | Reg. S Compliance Category; TEFRA D Applicable  |
| 37. | Non-exempt Offer:                              | Not Applicable  |
| 38. | Additional selling restrictions:               | <p><b>Austria</b></p>   |

No prospectus has been or will be approved and/or published pursuant to the Austrian Capital Markets Act (*Kapitalmarktgesetz*) as amended. Neither this document nor any other document connected therewith constitutes a prospectus according to the Austrian Capital Markets Act and neither this document nor any other document connected therewith may be distributed, passed on or disclosed to any other person in Austria, save as specifically

agreed with the Dealers. No steps may be taken that would constitute a public offering of the Covered Bonds in Austria and the offering of the Covered Bonds may not be advertised in Austria. Each Dealer has represented and agreed that it will offer the Covered Bonds in Austria only in compliance with the provisions of the Capital Markets Act and all other laws and regulations in Austria applicable to the offer and sale of the Covered Bonds in Austria.

### **Greece**

Each Dealer has represented and agreed that it has not publicly offered or sold and will not publicly offer or sell any Covered Bonds, in, or to persons in, the Hellenic Republic, or engage in advertisements, notices, statements or other actions in the Hellenic Republic, with a view to attracting resident investors in the Hellenic Republic to acquire Covered Bonds. All applicable provisions of law 3401/2005 must be complied with in respect of anything done with regard to the public offering of Covered Bonds in, from or otherwise involving the Hellenic Republic.

### **Hong Kong**

Each Dealer has represented and agreed that:

- (a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Covered Bonds other than (i) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance; or (ii) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance; and
- (b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the

Covered Bonds, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Covered Bonds which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the Securities and Futures Ordinance and any rules made under that Ordinance.

### **Korea**

The Covered Bonds have not been and will not be registered with the Financial Services Commission of Korea for public offering in Korea under the Financial Investment Services and Capital Markets Act (the **FSCMA**). The Covered Bonds may not be offered, sold or delivered, directly or indirectly, or offered or sold to any person for re-offering or resale, directly or indirectly, in Korea or to any resident of Korea except pursuant to the applicable laws and regulations of Korea, including the FSCMA and the Foreign Exchange Transaction Law (the **FETL**) and the decrees and regulations thereunder. Without prejudice to the foregoing, the holder of the Covered Bonds who is a resident in Korea may sell its entire holding of the Covered Bonds to only one person for a period of one year from the issue date of the Covered Bonds. Furthermore, the Covered Bonds may not be resold to Korean residents unless the purchaser of the Covered Bonds complies with all applicable regulatory requirements (including but not limited to government reporting requirements under the FETL and its subordinate decrees and regulations) in connection with the purchase of the Covered Bonds.

### **Norway**

Neither the Prospectus or this Final Terms Document nor any other offering or marketing material relating to the Issuer, the Guarantors or the Covered Bonds have been approved by, or registered with, any Norwegian securities regulator pursuant to the Norwegian Securities Trading Act of 29 June 2007.

Accordingly, neither the Prospectus or this Final Terms Document nor any other offering or marketing material relating to the Issuer, the Guarantors or the Covered Bonds constitutes, or shall be deemed to constitute, an offer to the public in Norway within the meaning of the Norwegian Securities Trading Act of 2007. The Covered Bonds may not be offered or sold, directly or indirectly, in Norway except;

- (a) in respect of an offer of Covered Bonds addressed to investors subject to a minimum purchase of Covered Bonds for a total consideration of not less than €50,000 per investor;
- (b) to “professional investors” as defined in the Norwegian Securities Regulation of 29 June 2007 no. 876, being;
  - (i) legal entities which are authorised or regulated to operate in the financial markets or, if not so authorised or regulated, whose corporate purpose is solely to invest in securities;
  - (ii) any legal entity which is registered as a professional investor with the Norwegian Financial Supervisory Authority (No. Finanstilsynet) and which has two or more of: (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than €43,000,000; and (3) an annual net turnover of more than €50,000,000, as shown in its last annual or consolidated accounts;
  - (iii) any natural person which is registered as a professional investor with the Norwegian Financial Supervisory Authority (No. Finanstilsynet) and which has two or more of: (1) an average execution of at least ten (10) transactions in securities of significant volume per quarter for the last four quarters; (2) a portfolio of securities with a market value of at least



€500,000; and (3) works or has worked for at least one (1) year within the financial markets sector in a position which presuppose knowledge of investing in securities;

- (c) to fewer than 100 natural or legal persons (other than “professional investors” as defined in the Norwegian Securities Regulation of 29 June 2007 no. 876), subject to obtaining the prior consent of the Lead Managers for any such offer; or
- (d) in any other circumstances provided that no such offer of Covered Bonds shall result in a requirement for the registration, or the publication by the Issuer, the Guarantors or the Lead Managers, of a prospectus pursuant to the Norwegian Securities Trading Act of 29 June 2007.

## **Spain**

Neither the Covered Bonds nor the Prospectus have been or will be approved or registered in the administrative registries of the Spanish Securities Markets Commission (*Comisión Nacional del Mercado de Valores*). Accordingly, the Covered Bonds may not be offered, sold or distributed in Spain except in circumstances which do not constitute a public offering of securities in Spain within the meaning of section 30-bis of the Securities Market Law 24/1988 of 28 July 1988 (*Ley 24/1988, de 28 de julio, del Mercado de Valores*) (as amended, the Securities Market Law), as developed by Royal Decree 1310/2005 of 4 November on admission to listing and on issues and public offers of securities (*Real Decreto 1310/2005 de 4 de noviembre, por el que se desarrolla parcialmente la Ley 24/1988, de 28 de julio, de Mercado de Valores, en materia de admisión a negociación de valores en mercados secundarios oficiales, de ofertas públicas de venta o suscripción y del folleto exigible a tales efectos*), and supplemental rules enacted thereunder or in substitution thereof from time to time. The Covered Bonds may only be offered and sold in Spain by institutions authorised to provide investment

services in Spain under the Securities Market Law (and related legislation) and Royal Decree 217/2008 of 15 February on the Legal Regime Applicable to Investment Services Companies (*Real Decreto 217/2008, de 15 de febrero, sobre el régimen jurídico de las empresas de servicios de inversión y de las demás entidades que prestan servicios de inversión*).

### **Switzerland**

The Covered Bonds may not be publicly offered, sold or advertised, directly or indirectly, in or from Switzerland and neither the Prospectus or this Final Terms Document nor any other offering or marketing material relating to the Issuer, the Guarantors or the Covered Bonds constitute an offering prospectus as that term is understood pursuant to article 652a or 1156 of the Swiss Code of Obligations or a listing prospectus within the meaning of the listing rules of the SIX Swiss Exchange. Neither the Prospectus or this Final Terms Document nor any other offering or marketing material relating to the Issuer, the Guarantors or the Covered Bonds may be publicly distributed or otherwise made publicly available in Switzerland.

The Covered Bonds do not constitute structured products or collective investment schemes as the terms are understood pursuant to the Swiss Federal Act on Collective Investment Schemes (CISA).

The Covered Bonds do not constitute mortgage bonds (*Pfandbriefe*) within the meaning of the Swiss Federal Act on Mortgage Bonds. Accordingly, neither the Covered Bonds nor the Guarantee benefit from any security attached to mortgage bonds under the Swiss Federal Act on Mortgage Bonds.

39. Additional U.S. Federal Tax Considerations: Not Applicable

### **PURPOSE OF FINAL TERMS DOCUMENT**

This Final Terms Document comprises the final terms required for issue and admission to trading of the Covered Bonds on the London Stock Exchange's Regulated Market described herein pursuant to the €25 billion Global Covered Bond Programme of Abbey National Treasury Services plc.

## **RESPONSIBILITY**

Each of the Issuer, the Group Guarantor and the LLP accepts responsibility for the information contained in this Final Terms Document.

## **PART B – OTHER INFORMATION**

### **1. LISTING AND ADMISSION TO TRADING:**

- (a) Listing and admission to trading: Application has been made by the Issuer (or on its behalf) for the Covered Bonds to be admitted to trading on the London Stock Exchange's Regulated Market on or about 14 April 2011
- (b) Estimate of total expenses related to admission to trading: £3,650

### **2. RATINGS:**

Ratings: The Covered Bonds to be issued have been rated:

S & P: AAA/Stable

Moody's: Aaa

Fitch: AAA

Each such credit rating has been issued by a credit rating agency established in the European Union which has applied for registered registration under Regulation (EU) No 1060/2009 (the **CRA Regulation**), although notification of the corresponding registration decision has not yet been provided by the relevant competent authority. In general, European regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the European Union and registered under the CRA Regulation unless the rating is provided by a credit rating agency operating in the European Union before 7 June 2010 which has submitted an application for registration in accordance with the CRA Regulation and such registration is not refused.

### **3. COVERED BOND SWAP:**

Covered Bond Swap Provider: Abbey National Treasury Services Plc

Nature of Covered Bond Swap: Non-Forward Starting

### **4. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE:**

Save as discussed in *Subscription and Sale and Transfer and Selling Restrictions*, so far as the Issuer, the Group Guarantor and the LLP are aware, no person involved in the offer of the Covered Bonds has an interest material to the offer.

**5. YIELD: (Fixed Rate Covered Bonds only)**

Indication of yield:

5.096 per cent. per annum

*The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.*

**6. OPERATIONAL INFORMATION:**

(a) ISIN Code: XS0616897616

(b) Common Code: 061689761

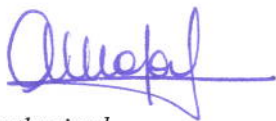
(c) Delivery: Delivery against payment

Name and address of Initial Paying Agent(s): Deutsche Bank AG, London Branch  
Winchester House  
1 Great Winchester Street  
London EC2N 2DB

Intended to be held in a manner which would allow Eurosystem eligibility: No

Signed on behalf of the Issuer:

By:



*Duly authorised*

Signed on behalf of the Group Guarantor:

By:



*Duly authorised*

Signed on behalf of the LLP:

By:



*Duly authorised*