

**SUPPLEMENT DATED 25 MARCH 2011
TO THE PROSPECTUSES SET OUT IN THE SCHEDULE HERETO**



Abbey National Treasury Services plc

(incorporated in England and Wales with limited liability, registered number 2338548)

Unconditionally guaranteed by

Santander UK plc

(formerly Abbey National plc)

(incorporated in England and Wales with limited liability, registered number 2294747)

The Prospectuses listed in the schedule hereto

This supplement (the "**Supplement**", which definition shall also include all information incorporated by reference herein) to the Prospectus dated 14 April 2010, the Prospectus dated 5 May 2010, the Prospectus dated 9 September 2010 and the Prospectus dated 9 December 2010 listed in the Schedule hereto (each as supplemented at the date hereof) (the "**Prospectuses**") (each of which comprises a base prospectus for the purpose of Article 5.4 of Directive 2003/71/EC (the "**Prospectus Directive**")), constitutes a supplementary prospectus for the purposes of Section 87G of the Financial Services and Markets Act 2000 ("**FSMA**"). Terms defined in the Prospectuses have the same meaning when used in this Supplement.

This Supplement is supplemental to, and should be read in conjunction with the Prospectuses and any other supplements to the Prospectuses prepared by Abbey National Treasury Services plc, as issuer (the "**Issuer**") on the Covered Bond Programme, the EMTN Programme, the Structured Note Programme and the Warrant Programme, and Santander UK plc who is also an issuer under the EMTN Programme (each as defined in the Schedule hereto).

This Supplement has been approved by the United Kingdom Financial Services Authority (the "**FSA**"), which is the United Kingdom competent authority for the purposes of the Prospectus Directive and relevant implementing measures in the United Kingdom for the purpose of giving information with regard to the issue of instruments under each of the programmes described in the Prospectus.

The Issuer, Santander UK plc and, in the case of the Covered Bond Programme only, Abbey Covered Bonds LLP (each an "**Obligor**") accepts responsibility for the information contained in this Supplement. To the best of the knowledge of each Obligor (each having taken all reasonable care to ensure that such is the case) the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

This Supplement has been prepared for the purpose of (a) incorporating by reference in each of the Prospectuses the audited consolidated annual financial statements for the financial year ended 31 December 2010 of both the Issuer and Santander UK plc, (b) communicating that the A&L Guarantee (as hereinafter defined) has ceased to have legal effect and (c) communicating changes in the composition of the Board of Directors of Santander UK plc.

To the extent that there is any inconsistency between (a) any statement in this Supplement or any statement incorporated by reference in the Prospectuses by this Supplement and (b) any other statement in or incorporated by reference in the Prospectuses prior to the date of this Supplement, the statement in (a) above will prevail.

If documents which are incorporated by reference themselves incorporate any information or other documents therein, either expressly or implicitly, such information or other documents will not form part

of this Supplement for the purposes of the Prospectus Directive except where such information or other documents are specifically incorporated by reference or attached to this Supplement.

Save as disclosed in this Supplement and the Prospectuses, no significant new factor, material mistake or inaccuracy relating to information included in the Prospectuses has arisen or been noted, as the case may be, since the publication of the Prospectuses.

Investors should be aware of their rights under Section 87Q(4) of the FSMA.

1. PUBLICATION OF ANNUAL FINANCIAL STATEMENTS

The following sections of each Prospectus shall be amended by inclusion of the paragraphs specified in paragraph 1.1 and 1.2 below:

- (a) the sections entitled "Documents incorporated by reference" commencing on page 12 and the heading entitled "Documents Available" in the "General Information" section commencing on page 242 of the Covered Bond Programme Prospectus;
- (b) the sections entitled "Documents incorporated by reference" commencing on page 9 and paragraph 4 of "General Information" commencing on page 117 of the EMTN Programme Prospectus;
- (c) the sections entitled "Documents incorporated by reference" commencing on page 1 and paragraph 4 of "General Information" commencing on page 355 of the Structured Note Programme Prospectus; and
- (d) the sections entitled "Documents incorporated by reference" commencing on page 1 and paragraph 5 of "General Information" commencing on page 164 of the Warrant Programme Prospectus.

1.1 On 18 March 2011, Santander UK plc published:

- (a) its audited consolidated annual financial statements for the financial year ended 31 December 2010, which appears on pages 149 to 262 and pages 67 to 134, except as marked as "unaudited" on pages 92, 93 and the Operational Risk and Other Risks sections on pages 121 to 123;
- (b) within the "Business Review – Divisional Results", the unaudited table titled "Trading profit before tax by segment" on page 25; and
- (c) the audited information in the Directors' Report which appears on pages 141 to 143,

of Santander UK plc's Annual Report and Accounts for the year ended 31 December 2010.

1.2 On 18 March 2011, the Issuer published its audited consolidated annual financial statements for the financial year ended 31 December 2010, which appears on pages 11 to 113 of the Issuer's Annual Report and Accounts for the year ended 31 December 2010.

Copies of the documents listed above have been filed with the UK Listing Authority and, by virtue of this Supplement, the relevant sections of the documents listed above are incorporated in, and form part of, each of the relevant Prospectuses.

Any documents themselves incorporated by reference in the documents incorporated by reference in the Prospectuses shall not form part of such Prospectuses.

2. GUARANTEE BY ALLIANCE & LEICESTER PLC

The following sections of each Prospectus shall be:

- (a) amended by inclusion of the paragraph specified in quotation marks below:
 - (i) the sections entitled “Santander UK plc and the Santander Group” commencing on page 151 of the Covered Bond Programme Prospectus;
 - (ii) the sections entitled “Santander UK plc and the Santander UK Group” commencing on page 96 of the EMTN Programme Prospectus;
 - (iii) the sections entitled “Santander UK plc and the Santander UK PLC Group” commencing on page 319 of the Structured Note Programme Prospectus; and
 - (iv) the sections entitled “Santander UK plc and the Santander UK Group” commencing on page 147 of the Warrant Programme Prospectus; and
- (b) removed in its entirety:
 - (i) the reference to “Guarantee by A&L” in section entitled “Overview” on pages 30 and 31 of the Covered Bond Programme Prospectus;
 - (ii) the reference to “Guarantee by A&L” in section entitled “Summary” on page 17 of the EMTN Programme Prospectus;
 - (iii) the reference to “Guarantee by A&L” in section entitled “Summary” on page 7 of the Structured Note Programme Prospectus; and
 - (v) the reference to “Guarantee by A&L” in section entitled “Summary” on page 7 of the Warrant Programme Prospectus.

“Alliance & Leicester plc (**A&L**) gave a full and unconditional guarantee in respect of the unsubordinated liabilities of Santander UK incurred prior to 31 July 2012 (the “**A&L Guarantee**”). The A&L Guarantee applied to any obligation or liability lawfully incurred by Santander UK to any person.

Pursuant to the terms of the order by the Companies Court of the High Court (Chancery Division) that approved the transfer of substantially all of the business, assets and liabilities of A&L to Santander UK pursuant to Part VII of FSMA, it was agreed that the A&L Guarantee should remain with A&L until such time as A&L and Santander UK agree that they should be transferred to Santander UK. Whilst the A&L Guarantee still had legal effect, it had ceased to be of material benefit to Noteholders. The A&L Guarantee has now been transferred to Santander UK and has ceased to have legal effect.”

3. Executive Management changes

The composition of the Board of Directors of Santander UK plc is changing as follows:

- (1) Alison Brittain resigned as Executive Director on 22 March 2011 and will leave Santander UK plc in September 2011; and
- (2) The Board of Directors has resolved to appoint, subject to FSA approval, Stephen Pateman as Executive Director of Santander UK plc.

The appointment of Stephen Pateman as Executive Director of Santander UK plc will be effective following confirmation of FSA approval and a public announcement shall be made at such time.

GENERAL

This Supplement will be published on the website of the London Stock Exchange.

The date of this Supplement is 25 March 2011.

SCHEDULE**LIST OF PROSPECTUSES****COVERED BOND PROGRAMME PROSPECTUS**

1. Prospectus dated 9 September 2010 relating to the Issuer's €25,000,000,000 Global Covered Bond Programme (the "**Covered Bond Programme**") and the supplements to it dated 8 November 2010 and 10 December 2010.

EMTN PROGRAMME PROSPECTUS

2. Prospectus dated 5 May 2010 relating to the Issuer's US\$20,000,000,000 Euro Medium Term Note Programme (the "**EMTN Programme**") and the supplements to it dated 21 May 2010, 10 August 2010, 27 August 2010, 8 November 2010 and 10 December 2010.

STRUCTURED NOTE PROGRAMME PROSPECTUS

3. Prospectus dated 14 April 2010 relating to the Issuer's €10,000,000,000 Structured Note Programme (the "**Structured Note Programme**") and the supplements to it dated 30 April 2010, 21 May 2010, 10 August 2010, 27 August 2010, 8 November 2010, 15 December 2010 and 18 March 2011.

WARRANT PROGRAMME PROSPECTUS

4. Prospectus dated 9 December 2010 relating to the Issuer's Warrant Programme (the "**Warrant Programme**").