

FINAL TERMS

PLEASE CAREFULLY READ THE RISK FACTORS IN THE PROSPECTUS

EACH PROSPECTIVE INVESTOR SHOULD CONSULT ITS OWN FINANCIAL AND LEGAL ADVISORS ABOUT THE RISKS ASSOCIATED WITH AN INVESTMENT IN THE WARRANTS AND THE SUITABILITY OF AN INVESTMENT IN THE WARRANTS IN LIGHT OF THEIR PARTICULAR CIRCUMSTANCES

27 April, 2012
(as amended and restated on 1 May, 2012)

Abbey National Treasury Services plc

*Issue of GBP "Bermudan Style" Call Warrants Linked to Equity Indices
(the "Warrants")*

Guaranteed by Santander UK plc

under the Note, Certificate and Warrant Programme
(the "Programme")

The Prospectus referred to below (as completed by these Final Terms) has been prepared on the basis that, except as provided in sub-paragraph (ii) below, any offer of Warrants in any Member States of the European Economic Area (each, a "Relevant Member State") which has implemented the Prospectus Directive (2003/71/EC) (the "Prospectus Directive") 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 Warrants. Accordingly, any person making or intending to make an offer of the Warrants may only do so:

- (i) in circumstances in which no obligation arises for the Issuer 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; or
- (ii) in those Public Offer Jurisdictions mentioned in Paragraph 35 of Part A below, provided such person is one of the persons mentioned in Paragraph 35 of Part A below and that such offer is made during the Offer Period specified for such purpose therein.

Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Warrants in any other circumstances.

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the General Terms and Conditions of the Warrants together with the applicable Technical Annex(es) (the "Conditions") set forth in the Prospectus dated 5 April 2012 which constitutes a base prospectus for the purposes of the Prospectus Directive. This document constitutes the Final Terms of the Warrants 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 Guarantor and the offer of the Warrants is only available on the basis of the combination of these Final Terms and the Prospectus. The Prospectus is available for viewing during normal business hours at the specified office of Citibank, N.A., London Branch acting as Principal Warrant Agent and copies may be obtained from the registered office of the Issuer and the Guarantor. In the event of any inconsistency between the Conditions and the Final Terms, these Final Terms prevail.

No person has been authorised to give any information or make any representation not contained in or not consistent with these Final Terms, or any other information supplied in connection with the Warrants and, if given or

made, such information or representation must not be relied upon as having been authorised by the Issuer, the Guarantor or any Dealer.

By investing in the Warrants each investors is deemed to represent that:

- (a) **Non-Reliance.** It is acting for its own account, and it has made its own independent decisions to invest in the Warrants and as to whether the investment in the Warrants is appropriate or proper for it based upon its own judgement and upon advice from such advisers as it has deemed necessary. It is not relying on any communication (written or oral) of the Issuer, the Guarantor or any Dealer as investment advice or as a recommendation to invest in the Warrants, it being understood that information and explanations related to the terms and conditions of the Warrants shall not be considered to be investment advice or a recommendation to invest in the Warrants. No communication (written or oral) received from the Issuer, the Guarantor or any Dealer shall be deemed to be an assurance or guarantee as to the expected results of the investment in the Warrants.
- (b) **Assessment and Understanding.** It is capable of assessing the merits of and understanding (on its own behalf or through independent professional advice), and understands and accepts the terms and conditions and the risks of the investment in the Warrants. It is also capable of assuming, and assumes, the risks of the investment in the Warrants.
- (c) **Status of Parties.** None of the Issuer, the Guarantor and any Dealer is acting as fiduciary for or adviser to it in respect of the investment in the Warrants.

1.	1.1	Issuer:	Abbey National Treasury Services plc
	1.2	Guarantor:	Santander UK plc
2.	2.1	Series Number:	643
	2.2	Tranche Number:	1
	2.3	Consolidation:	Not Applicable
	2.4	Trading Method:	Unit
3.		Applicable Technical Annex(es):	Equity Index
4.	4.1	Specified Currency or Currencies:	Pounds Sterling ("GBP" or "£")
	4.2	Currency Adjustment:	Not Applicable
5.		Aggregate Issue Size:	
	5.1	Series:	Up to 50,000,000 Units
	5.2	Tranche:	Up to 50,000,000 Units
	5.3	Aggregate Proceeds Amount of Tranche:	Up to GBP 50,000,000
6.	6.1	Unit Issue Price of Tranche:	GBP1.00 per Unit
	6.2	Unit Value on Issue:	GBP1.00 per Unit

Investors should note that the value of a Unit in the secondary market or on redemption may be less than the

		Unit Value on Issue.
6.3	Minimum Tradeable Size:	1 Unit
6.4	Multiple Tradeable Size:	Not Applicable
7.	7.1 Issue Date:	29 June, 2012
	7.2 Settlement Date:	26 June, 2018
8.	Type of Warrants:	
	8.1 Type:	The Warrants are Equity Index Linked Warrants
	8.2 Warrant Style:	The Warrants are Bermudan Style Warrants.
	8.3 Call / Put:	The Warrants are Call Warrants
	8.4 Relevant Asset:	The Warrants relate to the FTSE 100 Index (Bloomberg: UKX <Index>) and the S&P 500® Index (Bloomberg: SPX<Index>).

PROVISIONS RELATING TO EXERCISE

9.	Minimum Exercise Number:	1 Warrant
10.	Maximum Exercise Number:	Not Applicable
11.	Exercise Price(s):	Not Applicable
12.	Exercise Date(s):	The exercise date of the Warrants will be (i) 22 June, 2018 ("Final Exercise Date") or (ii) if earlier, the relevant Exercise Date _n (as specified in the table in paragraph 12.3 below) pursuant to which a Knock-out Event occurs or, in each case, if such date is not an Exercise Business Day the Exercise Date shall be the immediately succeeding Exercise Business Day.
12.1	Knock-out Event	<p>Unless previously exercised, purchased or cancelled in accordance with the Conditions and these Final Terms, a Knock-out Event shall be deemed to have occurred if the Calculation Agent determines that PerfMin_{Early} on any Scheduled Observation Date_n (as specified in the table in paragraph 12.3 below) is greater than or equal to the Knock-out Level.</p> <p>If a Knock-out Event is deemed by the Calculation Agent to have occurred on a particular Scheduled Observation Date_n, (i) each Warrant will be cash settled automatically in whole, but not in part, at the relevant Autocallable Amount_n on the corresponding Autocallable Settlement Date_n (as specified in the table in paragraph 12.3 below) occurring immediately thereafter and (ii) no further amounts shall be payable by the Issuer thereafter.</p>
12.2	Knock-out Level:	100.00 per cent.

12.3 Other terms or special conditions:

The following definitions shall be interpreted in accordance with the Equity Index Linked Conditions as set out in the Equity Index Technical Annex.

"**Autocallable Amount_n**" shall mean, with respect to the relevant Autocallable Settlement Date_n, the relevant amount specified in the table below.

"**Autocallable Settlement Date_n**" shall mean in respect of Scheduled Observation Date_n the relevant date specified in the table below.

"**Early Lagging Index**" means in relation to the relevant Scheduled Observation Date_n, the Index_n with the lowest calculated Early Performance, as determined by the Calculation Agent in respect of such date. For the avoidance of doubt, if both Indices in the Basket have the same Early Performance as of the relevant Scheduled Observation Date_n, the Calculation Agent shall determine the Early Lagging Index in its sole and absolute discretion.

"**Early Performance**" means, in respect of the Scheduled Observation Date_n and the relevant Index_n, an amount (expressed as a percentage) calculated and determined by the Calculation Agent in accordance with the following formula:

$$\text{Index}_{\text{Early}} / \text{Index}_{\text{Initial}}$$

"**Index_{Early}**" means the Closing Level of the relevant Index_n on the Scheduled Observation Date_n.

"**Index_{Initial}**" means the Closing Level of the relevant Index_n on the Initial Valuation Date.

"**PerfMin_{Early}**" means Early Performance of Early Lagging Index.

"**Scheduled Observation Date_n**" has the meaning set out in the table below.

n	Exercise Date / Scheduled Observation Date	Autocallable Settlement Date	Autocallable Amount
1	24 June, 2013	26 June, 2013	£1.10
2	23 June, 2014	25 June, 2014	£1.20
3	22 June, 2015	24 June, 2015	£1.30
4	22 June, 2016	24 June, 2016	£1.40
5	22 June, 2017	26 June, 2017	£1.50

13. Exercise Period: Not Applicable
14. Automatic Exercise: Automatic exercise applies to the Warrants.

PROVISIONS RELATING TO SETTLEMENT

15. Settlement: Settlement will be by way of cash payment ("**Cash Settled Warrants**")
16. Variation of Settlement:
- 16.1 Issuer's option to vary settlement: The Issuer does not have the option to vary settlement in respect of the Warrants.
- 16.2 Variation of Settlement of Physical Delivery Warrants: Not Applicable
17. Cash Settled Warrants: Applicable
- 17.1 Cash Settlement Amount: Unless previously purchased or cancelled in accordance with the Conditions, the Cash Settlement Amount per Warrant payable in GBP on the Settlement Date shall be determined by the Calculation Agent in accordance with the following methodology:
- (1) If a Knock-out Event has occurred on the relevant Scheduled Observation Date_n, the Warrants will be exercised in accordance with Warrant Condition 4.1(C) on the corresponding Exercise Date_n, and the Cash Settlement Amount shall be equal to the applicable Autocallable Amount_n; or
 - (2) If a Knock-out Event has not occurred on any Scheduled Observation Date_n, the Warrants will be exercised in accordance with Warrant Condition 4.1(C) on the Final Exercise Date and the Cash Settlement Amount shall be determined as follows:
 - a) If PerfMin_{Final} is greater than or equal to the Barrier Level, an amount equal to £1.60 per Warrant
 - b) Alternatively, if PerfMin_{Final} is less than the Barrier Level, an amount equal to:

$$\mathbf{£1.00 * PerfMin_{Final}}$$

The following definitions shall be interpreted in accordance with the Equity Index Linked Conditions as set out in the Equity Index Technical Annex.

"Barrier Level" means 50.00 per cent.

"Final Performance" means, in respect of the relevant Index_n, an amount, expressed as a percentage, calculated

and determined by the Calculation Agent in accordance with the following formula:

$$\text{Index}_{\text{Final}} / \text{Index}_{\text{Initial}}$$

"**Index_{Final}**" means, in respect of the relevant Index_n, the Closing Level of the Index on the Final Valuation Date.

"**Final Lagging Index**" shall mean in relation to the Final Valuation Date, the Index_n with the lowest calculated Final Performance, as determined by the Calculation Agent in respect of such date. For the avoidance of doubt, if both Indices in the Basket have the same Final Performance as of the Final Valuation Date, the Calculation Agent shall determine the Final Lagging Index in its sole and absolute discretion.

"**PerfMin_{Final}**" shall mean the Final Performance of the Final Lagging Index.

17.2	Settlement Price:	Not Applicable
17.3	Unit Nominal Amount:	Not Applicable
17.4	Multiplier:	Not Applicable
17.5	Settlement Currency:	GBP
17.6	Exchange Rate:	Not Applicable.
17.7	Rounding:	Rounded Down
17.8	Settlement Date:	<p>a) If a Knock-out Event has occurred on a particular Scheduled Observation Date_n, the Settlement Date shall be the corresponding Autocallable Settlement Date_n occurring immediately thereafter; or</p> <p>b) If a Knock-out Event has not occurred, the Settlement Date shall fall on 26 June, 2018 (the "Scheduled Settlement Date") or if later, the second (2nd) Business Day following the last occurring Valuation Date in accordance with the Equity Index Linked Conditions as set out in the Equity Index Technical Annex.</p>
18.	Physical Delivery Warrants:	Not Applicable
19.	Business Day Centre(s):	The applicable Business Day Centre(s) for the purposes of the definition of "Business Day" in Warrant Condition 4 is London.
20.	Business Day Convention:	Following
21.	Issuer Early Cancellation:	Not Applicable

PROVISIONS RELATING TO THE TYPE OF WARRANTS

22. **Currency Linked Warrants:** Not Applicable
23. **Equity Linked Warrants** Not Applicable
24. **Equity Index Linked Warrants** Applicable
- 24.1 Whether the Warrants relate to single index or a basket of indices and the identity of the relevant Index/Indices: Basket of Indices

n	Index	Index Sponsor	Index Type	Exchange	Related Exchange	Bloomberg Screen
1	FTSE 100*	FTSE International Limited (or any successor thereto)	Non-Composite	London Stock Exchange	All Exchanges	UKX <Index>
2	S&P 500**	Standard & Poor's, a division of the McGraw-Hill Companies Inc. (or any successor thereto)	Composite	As per the Equity Index Linked Conditions	All Exchanges	SPX <Index>

* FTSE™ 100 Index (the "FTSE Index"), a market-capitalisation weighted index of the 100 most highly capitalised companies traded on the London Stock Exchange. The equities use an investibility weighting in the index calculation.

** S&P 500® Index (the "SPX Index") is a capitalisation-weighted index composed of 500 stocks. The Index is designed to measure the performance of the broad domestic economy through changes in the aggregate market value of 500 stocks representing all major industries.

- 24.2 Index Level: Closing Level
- 24.3 Key Dates:
- (a) Trade Date: 19 April, 2012
- (b) Valuation Date: Not Applicable
- (c) Initial Valuation Date: 22 June, 2012
- (d) Scheduled Observation Date(s): As set out in paragraph 12.3 of this Part A
- (e) Observation Period: Not Applicable
- (f) Final Valuation Date: 22 June, 2018
- (g) Specified Maximum Days of Disruption: See Equity Index Linked Condition 7
- 24.4 Averaging: Averaging does not apply to the Warrants.
- 24.5 Index Sponsor: As set out in paragraph 24.1 of this Part A

24.6	Exchange(s)	As set out in paragraph 24.1 of this Part A
24.7	Related Exchange:	As set out in paragraph 24.1 of this Part A
24.8	Exchange Business Day	Exchange Business Day (All Indices Basis)
24.9	Scheduled Trading Day	Scheduled Trading Day (All Indices Basis)
24.10	Relevant Time:	Valuation Time
24.11	Additional Disruption Events:	The following Additional Disruption Events apply to the Warrants: Change in Law
24.12	Additional Index Adjustment Events:	Not Applicable
24.13	Other terms or special conditions:	Not Applicable
25.	Fund Linked Warrants:	Not Applicable
26.	Inflation Index Linked Warrants:	Not Applicable
27.	Property Index Linked Warrants:	Not Applicable
28.	Commodity Linked Warrants:	Not Applicable
29.	Debt Linked Warrants:	Not Applicable

GENERAL PROVISIONS APPLICABLE TO THE WARRANTS

30.	Calculation Agent:	Abbey National Treasury Services plc 2 Triton Square Regent's Place London NW1 3AN United Kingdom
31.	Linked Warrants:	Not Applicable

DISTRIBUTION

32.	32.1	If syndicated, names and addresses of Managers and underwriting commitments:	Not Applicable
	32.2	Date of Subscription Agreement:	Not Applicable
	32.3	Stabilising Manager(s) (if any):	Not Applicable
33.		If non-syndicated, name and address of relevant Dealer:	Abbey National Treasury Services plc 2 Triton Square Regent's Place London NW1 3AN United Kingdom
34.		US Selling Restrictions:	The Warrants have not been and will not be registered under the Securities Act or under any state securities laws,

and the Warrants may not be offered, sold, transferred, pledged, delivered, redeemed, directly or indirectly, at any time within the United States or to, or for the account or benefit of, or by, any U.S. Person (as defined herein). Trading in the Warrants has not been approved by the CFTC pursuant to the CEA, and no U.S. person may at any time trade or maintain a position in the Warrants. For a description of the restrictions on offers and sales of Warrants, see Part C attached hereto and "Notice to Purchasers and Holders of Warrants and Transfer Restrictions" and "Subscription and Sale" in the Prospectus.

35. Non exempt Offer:

An offer of the Warrants may be made by any Dealer and the institution specified in Paragraph 7.16 of of Part B below (together with the Dealer(s), the "Financial Intermediaries") other than pursuant to Article 3(2) of the Prospectus Directive in the United Kingdom ("Public Offer Jurisdictions") during the Offer Period from (specified below in Paragraph 7.4 of Part B below). *The results of the offering will be made available both on the website of the London Stock Exchange (www.londonstockexchange.com) and at the registered office of the Issuer and the Guarantor at or prior to the Issue Date. Copies of these Final Terms will be provided to the competent authorities in the Public Offer Jurisdictions.* See further Paragraph 7 of Part B below.

36. Additional Selling Restrictions:

Not Applicable

LISTING AND ADMISSION TO TRADING APPLICATION

These Final Terms comprise the final terms required for issue and public offer in the Public Offer Jurisdiction and admission to trading on the London Stock Exchange's Regulated Market and listing on the Official List of the UK Listing Authority of Warrants described herein pursuant to the Note, Certificate and Warrant Programme of Abbey National Treasury Services plc.

RESPONSIBILITY

The Issuer and the Guarantor accept responsibility for the information contained in these Final Terms. Relevant third party information, for example, in compliance with Annex XII to the Prospectus Directive Regulation in relation to each Relevant Asset (as defined in the Warrant Conditions) or its components has been extracted from Bloomberg®. The Issuer and the Guarantor each confirm that such information has been accurately reproduced and that, so far as they are aware and are able to ascertain from information published by Bloomberg®, no facts have been omitted which would render the reproduced information inaccurate or misleading.

Signed on behalf of the Issuer and the Guarantor:

By: 

Duly authorised

PART B— OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING

- 1.1 Listing and admission to trading: Application is expected to be made by the Issuer (or on its behalf) for the Warrants to be admitted to trading on the London Stock Exchange's Regulated Market and to be listed the Official List of the UK Listing Authority with effect on or about the Issue Date.
- 1.2 Estimate of total expenses related to admission to trading: GBP 420.00

2. RATINGS

- 2.1 Ratings: None. Please note that as at the Issue Date it is not intended that this specific Series of Warrants will be rated.

3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

Save for any fees payable to the Dealer and any Financial Intermediary, so far as the Issuer is aware, no person involved in the issue of the Warrants has an interest material to the offer.

4. REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

- 4.1 Reasons for the offer: General corporate purposes

5. PERFORMANCE OF RELEVANT ASSET, EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS AND OTHER INFORMATION CONCERNING EQUITY INDICES

Exposure to the FTSE Index and the SPX Index only

The Cash Settlement Amount payable is calculated by reference to the worst performing of each of the FTSE 100 Index and the SPX Index (each an "Index" and collectively the "Indices"). The performance of each Index is measured between the Closing Level of the relevant Index on the Initial Valuation Date and (i) for the purpose of establishing if a Knock-out Event occurs, the Closing Level of the Index on the relevant Scheduled Observation Date_n or (ii) if a Knock-out Event does not occur, the Closing Level on the Final Valuation Date, in accordance with the provisions specified at paragraphs 12, 17 and 24 of Part A of these Final Terms. The Index with the lowest performance is referred to herein as the Early Lagging Index (in respect of establishing if a Knock-out Event has occurred) or the Final Lagging Index (in respect of calculating the Cash Settlement Amount if a Knock-out Event has not occurred). Prospective investors should be aware that the Cash Settlement Amount they will receive is by reference to, and therefore dependent upon, the performance of each Index. Prospective investors should seek independent professional financial advice if they are in any doubt as to the manner in which the Cash Settlement Amount will be calculated.

What happens if a Knock-out Event has occurred?

A Knock-out Event will be deemed to have occurred if the Closing Level of the Early Lagging Index on the relevant Scheduled Observation Date_n (as specified in paragraph 12.3 of Part A) is greater than, or equal to, the Closing Level of Early Lagging Index on the Initial Valuation Date.

If a Knock-out Event is deemed to have occurred, the Warrants will be cash settled on the relevant Autocallable Settlement Date_n (as specified in paragraph 12.3 of Part A to these Final Terms) at an amount equal to the applicable Autocallable Amount_n (as specified in paragraph 12.3 of Part A). In such circumstances the Autocallable Amount_n will always be an amount greater than £1.00 per Warrant.

What happens if a Knock-out Event does not occur?

If a Knock-out Event is deemed by the Calculation Agent not to have occurred, the Cash Settlement Amount will be paid by the Issuer on the Settlement Date falling around the sixth (6th) anniversary of the Issue Date.

If a Knock-out Event is deemed by the Calculation Agent not to have occurred, and the Closing Level on the Final Valuation Date (as specified in paragraph 24.3 of Part A) of the Final Lagging Index is equal to, or greater than an amount equal to 50% of the Closing Level of Final Lagging Index on the Initial Valuation Date, the Cash Settlement Amount per Warrant will be £1.60.

If a Knock-out Event is deemed by the Calculation Agent not to have occurred, and the Closing Level on the Final Valuation Date (as specified in paragraph 24.3 of Part A) of the Final Lagging Index is less than an amount equal to 50% of the Closing Level of the Final Lagging Index on the Initial Valuation Date, the Cash Settlement Amount per Warrant will be determined as the product of £1 and PerfMin_{Final}. In such circumstances, the Cash Settlement Amount per Warrant will always be less than £0.50.

PerfMin_{Final} is determined by the Calculation Agent by dividing (a) the Closing Level of the Final Lagging Index on the Final Valuation Date by (b) the Closing Level of the Final Lagging Index on the Initial Valuation Date, and expressing the result as a percentage.

Worst Case Scenario

In a worst case scenario, a Knock-out Event will be deemed by the Calculation Agent not to have occurred and the Closing Level on the Final Valuation Date (as specified in paragraph 24.3 of Part A) of the Final Lagging Index is zero, in which case the Cash Settlement Amount per Warrant will be zero.

Calculation Agent's discretion to make adjustments to the Warrants

It should also be noted that if any of the adjustment events or disruption provisions relating to the Indices specified in the relevant Equity Index Technical Annex occurs (for example, including various changes in the methodology or process for publication of the Index), the Warrants may be adjusted or cancelled early. Without limitation, an adjustment may mean that the time for valuation of the Index may be delayed. In the case of an early cancellation, Warrant holders will only have a claim to receive the Early Cancellation Amount (or, in the case of an Event of Default, the fair market value of a Warrant less certain associated costs as set out in the Base Prospectus), which may be significantly less than the purchase price paid by Warrant holders or may be zero. Investors should consider each of these aspects of the Warrants and the provision of these Final Terms and the Prospectus carefully when making any investment decision in relation to the Warrants. The Warrants are complex financial instruments and accordingly, the provisions of these Final Terms should be reviewed carefully to understand the way the Cash Settlement Amount is determined.

There may be potential conflicts of interest

In addition, the Issuer, its Affiliates and the Calculation Agent may be in possession of information in relation to the Index that is or may be material in the context of the Warrants and that may or may not be publicly available or known. This does not create any obligation on the part of the Issuer, its Affiliates or the Calculation Agent to disclose any such relationship or information (whether or not confidential).

Information relating to the Indices

The information included herein with respect to the Indices consists only of extracts from, or summaries of, publicly available information. The Issuer and Guarantor accept responsibility that such information has been correctly extracted or summarised. No further or other responsibility is accepted by the Issuer or the Guarantor. In particular, neither the Issuer nor the Guarantor accept responsibility in respect of the accuracy or completeness of the information set forth herein concerning the Indices or that there has not occurred any event which would affect the accuracy or completeness of such information.

The FTSE™ 100 Index is a market-capitalisation weighted index of the 100 most highly capitalised companies traded on the London Stock Exchange plc. The equities use an investibility weighting in the index calculation. The index was developed with a base level of 100 as of 3 January 1984. The official closing level of the FTSE™ 100 Index is published on Bloomberg Screen UKX<Index> page.

The S&P 500® Index is a capitalisation-weighted index composed of 500. The Index is designed to measure performance of the broad domestic economy through changes in the aggregate market value of 500 stocks representing all major industries. The Index Sponsor S&P 500® Index is Standard and Poor's, a division of the McGraw-Hill Companies Inc. The official closing level of the S&P 500® Index is published on Bloomberg Screen SPX<Index> page.

Please carefully review the Index Disclaimer contained in the Equity Index Linked Conditions.

Details on the past performance of the Indices and their volatility can be found on Bloomberg Screen specified in Paragraph 24.1 of Part A of these Final Terms. The Issuer does not intend to provide any post issuance information, except if required by any applicable laws and regulations.

The value of the Warrants is dependent on a number of factors, including but not limited to, the Closing Level of the respective Index.

6. OPERATIONAL INFORMATION

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|-----|--|--------------------------|
| 6.1 | ISIN Code: | GB00B7Z2BK65 |
| 6.2 | Common Code: | 77886613 |
| 6.3 | Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking, société anonyme and the relevant identification number(s): | Not Applicable |
| 6.4 | Delivery: | Delivery against payment |
| 6.5 | Governing law: | English |
| 6.6 | Additional investment considerations: | Not Applicable |

7. TERMS AND CONDITIONS OF THE PUBLIC OFFER

Applicable. The distributor specified in Paragraph 7.16 will manage a plan (the "Plan"), which, will be offered to the public in the Public Offer Jurisdiction in accordance with the arrangements listed below. The Financial Intermediary has selected the Warrants as one of the primary qualifying securities into which the Financial Intermediary will invest on behalf of investors in the Plan. The proceeds invested by investors in the Plan will be used by the Financial Intermediary to purchase the Warrants. It is understood that the performance of the Plan will be related to the performance of the Warrants throughout the term of the Warrants. Accordingly, the amounts payable by the Financial Intermediary on the retirement of the Plan are linked to the amounts paid by

the Issuer pursuant to the terms and conditions of the Warrants.

- 7.1 Offer Price: A prospective investor in the Plan should contact the Financial Intermediary for details of the Offer Price.
- If any commissions or fees relating to the issue and sale of these Warrants have been paid or are payable by the Dealer to an intermediary, then such intermediary may be obliged to fully disclose to its clients the existence, nature and amount of any such commissions or fees (including, if applicable, by way of discount) as required in accordance with laws and regulations applicable to such intermediary, including any legislation, regulation and/or rule implementing the Markets in Financial Instruments Directive (2004/39/EC) ("MiFID"), or as otherwise may apply in any non-EEA jurisdictions. Potential investors in these Warrants intending to purchase Warrants through an intermediary (including by way of introducing broker) should request details of any such commission or fee payment from such intermediary before making any purchase hereof.
- 7.2 Conditions to which the offer is subject: Offers of the Warrants are subject to the distribution arrangements in place between the Dealer and the Financial Intermediary. The Issuer reserves the right not to issue the Warrants. In the event that the Issuer exercises its right not to issue the Warrants, it will cause a notice to be published on the website of the London Stock Exchange (www.londonstockexchange.com) and return any subscription proceeds it has received to the Dealer, who in turn will return such subscription proceeds to the Financial Intermediary. As between the Dealer and its customers (including the Financial Intermediary) or between the Financial Intermediary and its customers, offers of the Warrants are further subject to such conditions as may be agreed between them and/or as is specified in any arrangements in place between them.
- For a further description of the offer of an interest in the Warrants pursuant to the Plan by the Financial Intermediary to its customers, see Paragraph 7.5 of Part B of these Final Terms.
- Any offer of the Plan or of the Warrants comprised therein by the Financial Intermediary will be made in its own name and on its own behalf and not as an agent of the Issuer, the Guarantor or the Dealer and only the Financial Intermediary will be liable for the offer in the Public Offer Jurisdiction. None of the Issuer, Guarantor or Dealer accepts any liability for the offer or sale by the Financial Intermediary of an investment in the Plan to investors in the Public Offer Jurisdiction.
- 7.3 Description of the application process: A prospective investor in the Plan should contact the Financial Intermediary for details of the application process in order to purchase an interest in the Plan during the Offer

Period. A prospective investor in the Plan will invest in accordance with the arrangements existing between the Financial Intermediary and its customers relating to the subscription of securities generally. Prospective investors will not be required to enter into any contractual arrangements directly with the Issuer, Guarantor or the Dealer related to the subscription for the Warrants. If an investor in any jurisdiction other than the Public Offer Jurisdiction wishes to purchase Warrants or to make an investment in the Plan, such investor should (a) be aware that sales in the relevant jurisdiction may not be permitted; and (b) contact its financial advisor, bank or financial intermediary for more information.

These Final Terms may only be used in connection with and within the terms of this offer. It does not authorise, and may not be used by the Financial Intermediary or any other party in connection with, the subsequent offer or sale of any Warrants outside the terms of the offer or the Offer Period.

With the exception of the Public Offer Jurisdiction, no action has been or will be taken in any jurisdiction, by the Issuer, Guarantor or the Dealer that would permit a public offering of the Warrants, or possession or distribution of any offering material in connection with the issue of the Warrants, in any country or jurisdiction where action for that purpose is required. The Financial Intermediary must comply with all applicable laws and regulations of the Public Offer Jurisdiction in connection with the offer and sale of Warrants at its own expense.

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| 7.4 | Time period, including any possible amendments, during which the offer will be open: | The Financial Intermediary is authorised to offer the Warrants at any time from (and including) 9:00 a.m. (London time) on 30 April, 2012 to (and including) 5:00 p.m. (London time) on 22 June, 2012 (the "Offer Period"). |
| 7.5 | Details of the minimum and/or maximum amount of application: | A prospective investor in the Plan should contact the Financial Intermediary for details of any minimum and/or maximum amount of the individual applications for an interest in the Plan. |
| 7.6 | Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants: | A prospective investor in the Plan should contact the Financial Intermediary for details regarding the possibility to reduce their subscriptions during the Offer Period and the manner for refunding any excess amount paid.

See also paragraph 7.2 of this Part B. |
| 7.7 | Details of the method and time limits for paying up and delivering the Warrants: | A prospective investor in the Plan should contact the Financial Intermediary for details of the method and time limits for paying up and delivering an interest in the Plan. |

- 7.8 Manner in and date on which results of the offer are to be made public: The total number of Warrants (the "Final Aggregate Number of Warrants") to be issued and the final level of subscription will be determined based on market demand for an investment in the Plan during the Offer Period and will be made available both on the website of the London Stock Exchange (www.londonstockexchange.com) and at the registered office of the Issuer and the Guarantor on or prior to the Issue Date.
- 7.9 Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised: A prospective investor in the Plan should contact the Financial Intermediary for details of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised.
- 7.10 Categories of potential investors to which the Warrants are offered and whether tranche(s) have been reserved for certain countries: The Plan will be offered to potential investors in the Public Offer Jurisdiction by the Financial Intermediary. It is not contemplated that the Warrants will be directly offered to the public in any jurisdiction.
- Offers may only be made by the Financial Intermediary in the Public Offer Jurisdiction during the Offer Period as authorised to do so by the Dealer. No other offer or solicitation in respect of the Warrants shall be made by the Financial Intermediary except pursuant to an exemption from the obligation under the Prospectus Directive as implemented in such countries to publish a prospectus (a) in any other EEA country or (b) after the Offer Period has ended. If a prospective investor is offered the Warrants by any other party, the investor should be aware that none of the Issuer, the Guarantor or the Dealer will be responsible for the Prospectus for the purposes of the relevant securities laws in the context of the offer of the Warrants to the public. If an investor is in any doubt about whether it can rely on the Prospectus, these Final Terms and/or who is responsible for its contents, it should seek legal advice.
- 7.11 Indication of the expected price at which the Warrants will be offered or the method of determining the price and the process for its disclosure: The Issuer has offered and will sell the Warrants to the Dealer (and no one else) at the price of 100.00 per cent. of the Issue Price per Warrant. However, the Dealer will, in relation to each Warrant issued, offer and sell the Warrants to the Financial Intermediary at the price of not less than 92.00 per cent. of the Issue Price per Warrant.
- The Financial Intermediary will offer and sell their Plan to their customers in accordance with the arrangements in place between the Financial Intermediary and its customers by reference to the Offer Price and the market conditions prevailing at the time.
- 7.12 Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made: Prospective investors in the Plan will be notified by the Financial Intermediary in accordance with the arrangements in place between the Financial Intermediary and its customers. For the avoidance of doubt, no dealings in the Warrants may take place prior to the Issue Date.

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| 7.13 | Details of any tranche(s) reserved for specific country: | See Paragraph 7.10 of this Part B |
| 7.14 | Amount of any expenses and taxes specifically charged to the subscriber or purchaser: | A prospective investor in the Plan should contact the Financial Intermediary for details of any expenses and taxes that would be specifically charged in relation to any subscription of an interest in the Plan. |
| 7.15 | Additional information applicable to the terms and conditions of the offer, if any: | Prospective investors should contact the Financial Intermediary for details. |
| 7.16 | Name(s) and address(es), to the extent known to the Issuer, of the placers in the various countries where the offer takes place. | Walker Crips Stockbrokers Ltd
Finsbury Tower
103-105 Bunhill Row
London
EC1Y 8LZ |

The Issuer is only offering to and selling to the Dealer pursuant to and in accordance with the terms of the Programme Agreement. All sales to persons other than the Dealer will be made by the Dealer or persons to whom they sell, and/or otherwise make arrangements with, including the Financial Intermediary. The Issuer shall not be liable for any offers, sales or purchases of Warrants to persons (other than in respect of offers and sales to, and purchases of, Warrants by the Dealer and only then pursuant to the Programme Agreement, which are made by the Dealer or Financial Intermediary in accordance with the arrangements in place between any such Dealer or any such Financial Intermediary and its customers.

The Dealer has acknowledged and agreed, and any Financial Intermediary will be required by the Dealer to acknowledge and agree, that for the purpose of offer(s) of the Warrants, the Issuer has passported the Base Prospectus in each of the Public Offer Jurisdictions and will not passport the Base Prospectus into any other European Economic Area Member State; accordingly, the Warrants may only be publicly offered in Public Offer Jurisdictions or offered to Qualified Investors (as defined in the Prospectus Directive) in any other European Economic Area Member States and that all offers of Warrants by it will be made only in accordance with the selling restrictions set forth in the Prospectus and the provisions of these Final Terms and in compliance with all applicable laws and regulations.

PART C – IMPORTANT NOTICE TO PURCHASERS AND TRANSFEREES

The Warrants have not been and will not be registered under the Securities Act, and trading in the Warrants has not been approved by the CFTC under the CEA. No Warrants, or interests therein, may at any time be offered, sold, resold or delivered, directly or indirectly, in the United States or to, or for the account or benefit of, any U.S. person or to others for offer, sale, resale or delivery, directly or indirectly, in the United States or to, or for the account or benefit of, any U.S. person and no U.S. person may at any time trade or maintain a position in the Warrants.

As used herein, "**United States**" means the United States of America (including the States and the District of Columbia), its territories, its possessions and other areas subject to its jurisdiction; and "**U.S. person**" means (i) an individual who is a citizen or resident of the United States; (ii) a corporation, partnership or other entity organised in or under the laws of the United States or any political subdivision thereof or which has its principal place of business in the United States; (iii) any estate or trust which is subject to United States federal income taxation regardless of the source of its income; (iv) any trust if a court within the United States is able to exercise primary supervision over the administration of the trust and if one or more United States trustees have the authority to control all substantial decisions of the trust (or any trust which elected to be treated as a United States person prior to 20th August 1996); (v) a pension plan for the employees, officers or principals of a corporation, partnership or other entity described in (ii) above; (vi) any entity organised principally for passive investment, 10 per cent. or more of the beneficial interests in

which are held by persons described in (i) to (v) above if such entity was formed principally for the purpose of investment by such persons in a commodity pool the operator of which is exempt from certain requirements of Part 4 of the CFTC's regulations by virtue of its participants being non-U.S. persons; or (vii) any other "U.S. person" or person that is not a "non-United States person" as either such term may be defined in Regulation S under the Securities Act or in regulations adopted under the CEA.

Notice to Purchasers and Holders of Restricted Securities and Transfer Restrictions

Each purchaser of the Warrants will, by its purchase of the Warrants, be deemed to acknowledge, represent and agree as follows:

- (a) that trading in the Warrants has not been and will not be approved by the CFTC under the CEA;
- (b) that it will not at any time offer, sell, resell or deliver, directly or indirectly, any Warrants so purchased in the United States or to, or for the account or benefit of, any U.S. person or to others for offer, sale, resale or delivery, directly or indirectly, in the United States or to, or for the account or benefit of, any U.S. person;
- (c) that it is not purchasing any Warrants for the account or benefit of any U.S. person;
- (d) that it will not make offers, sales, resales or deliveries of any Warrants (otherwise acquired), directly or indirectly, in the United States or to, or for the account or benefit of, any U.S. person;
- (e) that it will send each person who purchases Warrants from it a written confirmation (which shall include the definitions of United States and U.S. person set forth herein) stating that the Warrants have not been registered under the Securities Act, that trading in the Warrants has not been approved by the CFTC under the CEA and stating that such purchaser agrees that it will not at any time offer, sell, resell or deliver any of such N&C Securities, directly or indirectly, in the United States or to, or for the account or benefit of, any U.S. person; and
- (f) that no U.S. person or person in the United States may at any time trade or maintain a position in the Warrants.