

OPERATIONAL INFORMATION DOCUMENT

This Operational Information Document relates to the Final Terms dated 12 April 2018 (the Final Terms) in respect of the issue by Santander UK plc of £1,000,000,000 Floating Rate Covered Bonds due 13 April 2021 (the Covered Bonds) irrevocably and unconditionally guaranteed as to payment of principal and interest by Abbey Covered Bonds LLP under the €35 billion Global Covered Bond Programme.

This Operational Information Document has not been reviewed or approved by any competent authority for the purposes of the Prospectus Directive or otherwise and does not form part of the Final Terms for the purposes of the Prospectus Directive. However, for all other purposes this Operational Information Document must be read in conjunction with the Final Terms. Words and expressions which have a defined meaning in the Final Terms or the Prospectus dated 2 June 2017 and the supplements to it dated 28 July 2017, 14 September 2017, 26 October 2017, 7 February 2018 and 1 March 2018 have the same meanings in this Operational Information Document.

MIFID II product governance / Professional investors and ECPs only target market Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Covered Bonds has led to the conclusion that: (i) the target market for the Covered Bonds is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, **MiFID II**); and (ii) all channels for distribution of the Covered Bonds to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Covered Bonds (a "distributor") should take into consideration the manufacturers' target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Covered Bonds (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

PROHIBITION OF SALES TO EEA RETAIL INVESTORS: The Covered Bonds are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (**EEA**). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (**MiFID II**) or (ii) a customer within the meaning of Directive 2002/92/EC (**IMD**), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, no key information document required by Regulation (EU) No 1286/2014 (the **PRIIPs Regulation**) for offering or selling the Covered Bonds or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Covered Bonds or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

FINAL TERMS DOCUMENT

12 April 2018

Santander UK plc

**Issue of Series 68 £1,000,000,000 Floating Rate Covered Bonds due 13 April 2021
(XS1807191058)**

**irrevocably and unconditionally guaranteed as to payment of principal and interest by
Abbey Covered Bonds LLP
under the €35 billion
Global Covered Bond Programme**

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 2 June 2017 and the supplements to it dated 28 July 2017, 14 September 2017, 26 October 2017, 7 February 2018 and 1 March 2018 (each a **Supplemental Prospectus**), which together constitute a base prospectus for the purposes of the Prospectus Directive (2003/71/EC) (as amended, which includes amendments made by Directive 2010/73/EU to the effect that such amendments have been implemented in a relevant Member State) (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, as supplemented. Full information on the Issuer 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, as supplemented. Copies of the Prospectus and each Supplemental Prospectus are available for viewing at <http://www.santander.co.uk/uk/about-santander-uk/debt-investors/santander-uk-covered-bonds> and 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: | Santander UK plc |
| | (b) | Guarantor: | Abbey Covered Bonds LLP |
| 2. | (a) | Series Number: | 68 |

- (b) Tranche Number: 1
- (c) Series which Covered Bonds will be consolidated and form a single Series with: Not Applicable
- (d) Date on which the Covered Bonds will be consolidated and form a single Series with the Series specified above: Not Applicable
3. Specified Currency or Currencies: Sterling (**GBP** or **£**)
4. Money Market Covered Bonds: No
5. Do the Covered Bonds have the benefit of remarketing arrangements: No
6. Aggregate Nominal Amount of Covered Bonds admitted to trading:
- (a) Series: £1,000,000,000
- (b) Tranche: £1,000,000,000
7. Issue Price: 100 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: 13 April 2018
- (b) Interest Commencement Date: Issue Date
10. (a) Final Maturity Date: 13 April 2021
- (b) Extended Due for Payment Date of Guaranteed Amounts corresponding to the Final Redemption Amount under the Covered Bond Guarantee: 13 April 2022

11. Interest Basis: 3 month GBP LIBOR + 0.22 per cent. per annum Floating Rate from and including the Interest Commencement 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 to but excluding the Extended Due for Payment Date the following Interest provisions apply:
- Interest Basis: 1 month GBP LIBOR +0.22 per cent. per month Floating Rate
- Interest Payment Dates: 13th day of each month commencing on 13 May 2021 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
- Day Count Fraction: Actual/365 (Fixed), adjusted
- Interest Determination Dates: the first London Business Day of each Interest Period
- Screen Rate Determination Relevant Screen Page: Bloomberg page BBAM1
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: Not Applicable
18. Floating Rate Covered Bond Provisions: Applicable
- (a) Interest Period(s): The period from and including the Interest Commencement Date to but excluding the first Interest Payment Date and subsequently, each period from and including an Interest Payment Date to but excluding the next Interest Payment Date
 - (b) Specified Interest Payment Dates: 13 July, 13 October, 13 January and 13 April in each year, up to and including the Final Maturity Date
 - (c) First Interest Payment Date: 13 July 2018
 - (d) Business Day Convention: Modified Following Business Day Convention
 - (e) Business Day(s): London
 - Additional Business Centre(s): Not Applicable
 - (f) Manner in which the Rate of Interest and Interest Amount is to be determined: Screen Rate Determination
 - (g) Party responsible for calculating the Rate of Interest and Interest Amount (if not the Principal Paying Agent): Not Applicable
 - (h) Screen Rate Determination: Applicable
 - Reference Rate: 3 month GBP LIBOR to but excluding the Final Maturity Date and 1 month GBP LIBOR thereafter
 - Interest Determination Date(s): The first London Business Day of each Interest Period
 - Relevant Screen Page: Bloomberg page BBAM1
 - (i) ISDA Determination: Not Applicable
 - (j) Margin(s): +0.22 per cent. per annum

- | | | |
|-----|---|------------------------------|
| (k) | Minimum Rate of Interest: | Not Applicable |
| (l) | Maximum Rate of Interest: | Not Applicable |
| (m) | Day Count Fraction: | Actual/365 (Fixed), adjusted |
| (n) | Fallback denominator provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Covered Bonds, if different from those set out in the Terms and Conditions: | Not Applicable |
19. Zero Coupon Covered Bond Provisions: Not Applicable

PROVISIONS RELATING TO REDEMPTION

- | | | |
|-----|---|--------------------------------|
| 20. | Issuer Call: | Not Applicable |
| 21. | Investor Put: | Not Applicable |
| 22. | Final Redemption Amount of each Covered Bond: | £1,000 per Calculation Amount |
| 23. | 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): | As set out in Condition 6.8(a) |

GENERAL PROVISIONS APPLICABLE TO THE COVERED BONDS

- | | | |
|-----|--------------------------|---|
| 24. | 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 |
| 25. | New Global Covered Bond: | Yes |
| 26. | Financial Centre(s): | Not Applicable |

- | | | |
|-----|--|----------------|
| 27. | Talons for future Coupons or Receipts to be attached to Bearer Definitive Covered Bonds (and dates on which such Talons mature): | No |
| 28. | 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 |
| 29. | Details relating to Instalment Covered Bonds: | Not Applicable |
| 30. | Redenomination renominatisation and reconventioning provisions: | Not Applicable |
| 31. | Post-perfection SVR-LIBOR Margin: | 2.95 per cent. |

DISTRIBUTION

- | | | |
|-----|----------------------------|---|
| 32. | U.S. Selling Restrictions: | Reg. S Compliance Category 2 TEFRA D applicable |
|-----|----------------------------|---|

PURPOSE OF FINAL TERMS DOCUMENT

This Final Terms Document comprises the final terms required for issue and admission to trading on the London Stock Exchange's Regulated Market of the Covered Bonds described herein pursuant to the €35 billion Global Covered Bond Programme of Santander UK plc.

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 Series 68 Covered Bonds to be admitted to trading on the London Stock Exchange's Regulated Market with effect from the Issue Date
- (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

Moody's: Aaa

Fitch: AAA

3. COVERED BOND SWAP:

Covered Bond Swap Provider: Not Applicable

Nature of Covered Bond Swap: Not Applicable

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 and the LLP are aware, no person involved in the offer of the Covered Bonds has an interest material to the offer. The Managers and their affiliates have engaged and may in the future engage in investment banking and/or commercial banking transactions with and may perform other services for the Issuer and/or the LLP and/or their affiliates in the ordinary course of business.

5. HISTORICAL INTEREST RATES:

Details of historical BBAM1 rates can be obtained from Bloomberg.

6. **TRADEABLE AMOUNTS:**

So long as the Covered Bonds are represented by a Global Covered Bond and Euroclear Bank SA and Clearstream Banking, *société anonyme* so permit, the Global Covered Bond shall be tradable in minimum principal amounts of £100,000 and integral multiples of £1,000 in excess thereof up to and including £199,000 (the **Tradable Amount**) in addition thereto.

7. **OPERATIONAL INFORMATION:**

- (a) ISIN Code: XS1807191058
- (b) Common Code: 180719105
- (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

Names and addresses of additional Paying Agent(s) (if any): Not Applicable

Intended to be held in a manner which would allow Eurosystem eligibility: Yes. Note that the designation "yes" means that the Covered Bonds are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not necessarily mean that the Covered Bonds will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.

Signed on behalf of the **Issuer**:

By: 

Duly authorised

Signed on behalf of the **LLP**:

By: 

Duly authorised