

22 March 2012

Yorkshire Building Society
Issue of £500,000,000 Floating Rate Series 8 Covered Bonds due March 2016 irrevocably and unconditionally guaranteed as to payment of principal and interest by Yorkshire Building Society Covered Bonds LLP under the €7.5 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 these Final Terms) 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 (the **Prospectus Directive**) (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 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 nor any Dealer has authorised, nor do they authorise, the making of any offer of Covered Bonds in any other circumstances.

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Prospectus dated 15 March 2012. 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 such Prospectus. Full information on the Issuer and the offer of the Covered Bonds is only available on the basis of the combination of these Final Terms 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.

PART A – CONTRACTUAL TERMS

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| 1. | (i) | Issuer: | Yorkshire Building Society |
| | (ii) | Guarantor: | Yorkshire Building Society Covered Bonds LLP |
| 2. | (i) | Series Number: | 8 |
| | (ii) | Tranche Number: | 1 |
| 3. | | Specified Currency or Currencies: | GBP/£ |
| 4. | | Nominal Amount of Covered Bonds to be issued: | £500,000,000 |
| 5. | | Nominal Amount of the Covered Bonds: | |
| | (i) | Series: | £500,000,000 |
| | (ii) | Tranche: | £500,000,000 |
| 6. | (i) | Issue Price: | 100.0 per cent. of the Nominal Amount |

(Required only for listed issues)

7. (i) 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.
- (ii) Calculation Amount: £1,000
8. (i) Issue Date: 23 March 2012
- (ii) Interest Commencement Date: Issue Date
9. (i) Final Maturity Date: 23 March 2016
- (ii) Extended Due for Payment Date of Guaranteed Amounts corresponding to the Final Redemption Amount under the Covered Bond Guarantee: 23 March 2017
10. Interest Basis: From and including the Issue Date to but excluding the Final Maturity Date: 3 Month Sterling LIBOR +1.75 per cent. per annum Floating Rate payable quarterly in arrear.
- From and including the Final Maturity Date to but excluding the Extended Due for Payment Date: 1 Month Sterling LIBOR +1.75 per cent. per annum Floating Rate payable monthly in arrear.
- (further particulars specified below)*
11. Redemption/Payment Basis: Redemption at par
12. Change of Interest Basis or Redemption/Payment Basis: Applicable (see item 10 above)
13. Call Options: Not Applicable
14. (i) Status of the Covered Bonds: Senior
- (ii) Status of the Guarantee: Senior
- (iii) Date of Chairman's Committee approval for issuance of Covered Bonds obtained: 12 March 2012
15. Listing: London Stock Exchange
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
	(i) Specified Interest Payment Date(s):	The 23rd day of March, June, September and December commencing on 23 June 2012 to and including the Final Maturity Date. The 23rd day of each month from but excluding the Final Maturity Date to and including the earlier of (i) the date on which the Covered Bonds are redeemed in full, and (ii) the Extended Due for Payment Date.
	(ii) Business Day Convention:	Modified Following Business Day Convention
	(iii) Additional Business Centre(s):	Not Applicable
	(iv) Manner in which the Rate of Interest and Interest Amount is to be determined:	Screen Rate Determination
	(v) Day Count Fraction:	Actual/365 (Fixed)
	(vi) Party responsible for calculating the Rate of Interest and Interest Amount (if not the Principal Paying Agent):	Not Applicable
	(vii) Screen Rate Determination:	Applicable
	– Reference Rate:	From and including the Issue Date to but excluding the Final Maturity Date: 3-Month Sterling LIBOR From and including the Final Maturity Date to but excluding the Extended Due for Payment Date: 1-Month Sterling LIBOR
	– Interest Determination Date(s):	First day of each Interest Period
	– Relevant Screen Page:	Reuters page LIBOR01 or any replacement thereto
	(viii) Margin(s)	+1.75 per cent. per annum
19.	Zero Coupon Covered Bond Provisions	Not Applicable
20.	Index Linked Interest Covered Bond/other variable-linked interest Covered Bond Provisions	Not Applicable
21.	Dual Currency Covered Bond Provisions	Not Applicable

PROVISIONS RELATING TO REDEMPTION BY THE ISSUER

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| 22. | Issuer Call: | Not Applicable |
| 23. | Final Redemption Amount: | Nominal Amount |
| 24. | Early Redemption Amount payable on redemption for taxation reasons, on acceleration following an Issuer Event of Default or an LLP Event of Default and/or the method of calculating the same (if required or if different from that set out in Condition 6(e)) | Condition 6(e) applies |

GENERAL PROVISIONS APPLICABLE TO THE COVERED BONDS

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| 25. | New Global Covered Bond: | Yes |
| 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 in definitive form only after an Exchange Event |

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| 27. | Additional Financial Centre(s) or other special provisions relating to Payment Dates: | Not Applicable |
| 28. | Talons for future Coupons or Receipts to be attached to Bearer Definitive Covered Bonds (and dates on which such Talons mature): | No |
| 29. | 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 (if any) of failure to pay, including any right of the Issuer to forfeit the Covered Bonds and interest due on late payment: | Not Applicable |
| 30. | Details relating to Instalment Covered Bonds: | |
| | (i) Instalment Amount(s): | Not Applicable |
| | (ii) Instalment Date(s): | Not Applicable |
| 31. | Redenomination: | Not Applicable |
| 32. | Other terms or special conditions: | Not Applicable |

DISTRIBUTION

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| 33. | (i) If syndicated, names of Managers: | Credit Suisse Securities (Europe) Limited
HSBC Bank plc
RBC Europe Limited |
| | (ii) Date of Subscription Agreement | 22 March 2012 |
| | (iii) Stabilising Manager (if any): | Not Applicable |
| 34. | If non-syndicated, name of relevant Dealer(s): | Not Applicable |
| 35. | U.S. selling restrictions: | Reg S. Compliance Category 2, TEFRA D |
| 36. | Additional selling restrictions: (insert here any other relevant codes such as CUSIP and CINS codes) | Not Applicable |

LISTING APPLICATION

These Final Terms comprise the final terms required to list and have admitted to trading the issue of the Covered Bonds described herein pursuant to the €7.5 billion Global Covered Bond Programme of Yorkshire Building Society on the regulated market of the London Stock Exchange.

RESPONSIBILITY

The Issuer and the LLP accept responsibility for the information contained in these Final Terms. Each of the Issuer and the LLP confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by the Building Societies Association, no facts have been omitted which would render the reproduced inaccurate or misleading.

PART B – OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING

- (i) 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 regulated market of the London Stock Exchange and to be admitted to the Official List of the UK Listing Authority as of 23 March 2012.
- (ii) Estimate of total expenses related to admission to trading: £3,650

2. RATINGS

- (i) Ratings: The Covered Bonds to be issued have been rated:
Moody's: Aa2
Fitch: AAA

Moody's Investor Services Limited (**Moody's**) and Fitch Ratings Ltd (**Fitch**) are established in the European Union and are registered under Regulation (EC) No. 1060/2009 (as amended).

3. NOTIFICATION

The Financial Services Authority has not been requested to provide the London Stock Exchange with a certificate of approval attesting that the Prospectus has been drawn up in accordance with the Prospectus Directive.

4. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER

So far as the Issuer and the LLP are aware, no person involved in the issue of the Covered Bonds has an interest material to the offer.

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

Indication of yield: Not Applicable

6. OPERATIONAL INFORMATION

- (i) ISIN Code: XS0762446853
- (ii) Common Code: 076244685
- (iii) Any clearing system(s) other than Euroclear or Clearstream, Luxembourg and the relevant identification number(s): Not Applicable

- (iv) Delivery: Delivery against payment
- (v) Names and addresses of additional Paying Agent(s) (if any): Not Applicable
- (vi) Intended to be held in a manner which would allow Eurosystem eligibility: No

Signed on behalf of the Issuer:

By: DAREN MURRAY

Duly authorised

Signed on behalf of the LLP:

By: C.L. PARRISH

Duly authorised