

FINAL TERMS

PLEASE CAREFULLY READ THE RISK FACTORS IN THE BASE 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

29 October 2014

(as amended and restated on 9 December 2014)¹

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")

Any person making or intending to make an offer of the Warrants may only do so:

- (i) in those Non-exempt Offer Jurisdictions mentioned in Paragraph 7.4 of Part B below, provided such person is a Dealer or Authorised Offeror (as such term is defined in the Base Prospectus) and that the offer is made during the Offer Period specified in that paragraph and that any conditions relevant to the use of the Base Prospectus are complied with; or
- (ii) 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 Warrants in any other circumstances.

The expression "Prospectus Directive" means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive), to the extent implemented in the relevant Member State of the European Economic Area, and includes any relevant implementing measure in the relevant Member State and the expression "2010 PD Amending Directive" means Directive 2010/73/EU.

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 Annex(es) (the "Conditions") set forth in the Base Prospectus dated 9 December 2014 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 (the "Base Prospectus") and must be read in conjunction with the Base 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 Base Prospectus. The Base Prospectus has been published on the websites of the Irish Stock Exchange (www.ise.ie), the Central Bank of Ireland (www.centralbank.ie) and the Issuer (http://www.santander.co.uk/uk/about-santander-uk/investor-relations/abbey-omnibus-programme?p_p_id=W033_Notification_WAR_W033_Notificationportlet&p_p_lifecycle=1&p_p_state=normal&p_p_mode=view&p_p_col_id=column-2&p_p_col_count=3&_W033_Notification_WAR_W033_Notificationportlet_javax.portlet.action=DFCW_LR_033_NotificationAcc)

¹ The changes to the Final Terms are required as a result of the update of the Base Prospectus dated 28 January 2014 which has been now replaced with the Base Prospectus dated 9 December 2014

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Investors should note that the Base Prospectus dated 28 January 2014 related to the Programme has been superseded by the Base Prospectus. Any investor who, as of the date of these amended and restated Final Terms has indicated acceptance of the offer of Warrants to which these amended and restated Final Terms relates has the right, within not less than two working days of the date of publication of such amended and restated Final Terms, to withdraw such acceptance. This right to withdraw shall expire at 5.00 p.m. on 12 December 2014.

A summary of the Warrants (which comprises the summary in the Base Prospectus as amended to reflect the provisions of these Final Terms) is annexed to these Final Terms.

The Warrants have not been and will not be registered under the United States Securities Act of 1933, as amended (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). Furthermore, the Warrants do not constitute, and have not been marketed as, contracts of sale of a commodity for future delivery (or options thereon) subject to the U.S. Commodity Exchange Act, as amended (the "CEA"), and trading in the Warrants has not been approved by the U.S. Commodity Futures Trading Commission (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 "Important Notice to Purchasers and Transferees of Warrants" and "Subscription and Sale" in the Base Prospectus.

The exercise of the Warrants will be conditional upon the holder (and any person on whose behalf the holder is acting) being a non-U.S. Person.

For the purposes hereof, "U.S. Person" means (i) a "U.S. person" as defined in Regulation S under the Securities Act ("Regulation S"), (ii) a "U.S. person" as defined in the Interpretive Guidance and Policy Statement Regarding Compliance with Certain Swap Regulations promulgated by the Commodity Futures Trading Commission (the "CFTC") pursuant to the United States Commodity Exchange Act of 1936, as amended (the "CEA"), (iii) a person other than a "Non-United States person" as defined in CFTC Rule 4.7, or (iv) a "United States person" as defined in the U.S. Internal Revenue Code of 1986 and the U.S. Treasury regulations promulgated thereunder, in each case, as such definition may be amended, modified or supplemented from time to time (each such person, a "U.S. Person").

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 nor 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:	1049
	2.2	Tranche Number:	1
	2.3	Consolidation:	Not Applicable
	2.4	Trading Method:	Unit
	2.5	Calculation Amount:	GBP1.00
3.		Applicable Annex(es):	Payout and Equity Index/ETF
4.		Specified Currency:	Pound Sterling (" GBP " or "£")
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:	GBP 1.00 per Unit
	6.2	Unit Value on Issue:	GBP 1.00 per Unit

Investors should note that the value of a Unit in the secondary market or on settlement may be less than the Unit Value on Issue.

	6.3	Minimum Tradeable Size:	1 Unit(s)
	6.4	Multiple Tradeable Size:	Not Applicable
7.	7.1	Issue Date:	13 February 2015
	7.2	Settlement Date:	The settlement date of the Warrants will be (i) 15 February 2021 or (ii) if earlier, the Autocallable Settlement Date specified in relation to the Actual Exercise Date in item 12 below (the " Scheduled Settlement Date(s) ") in each case subject to adjustment as provided in the Conditions.
			Specified Number of Days Postponement: 5 Business Days.
8.		Type of Warrants:	
	8.1	Warrant Type:	The Warrants are Equity Index/ETF Linked Warrants.
	8.2	Warrant Style:	The Warrants are Bermudan Style Warrants.
	8.3	Call / Put	The Warrants are Call Warrants.

8.4 Reference Item:

The Warrants relate to each of FTSE 100 Index and S&P 500® Index (as further described at Part B paragraph 5 below).

PROVISIONS RELATING TO EXERCISE

9. Minimum Exercise Number: The minimum number of Warrants that may be exercised (including automatic exercise) on any day by any Warrantholder is 1.
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) 8 February 2021 or (ii) if earlier, the date on which the Barrier Condition is satisfied or, in each case, if such date is not an Exercise Business Day the Exercise Date shall be the immediately succeeding Exercise Business Day.

Barrier (Early)	Potential Exercise Date / Scheduled Observation Date	Autocallable Settlement Date	Autocallable Amount per Calculation Amount
100.00 per cent.	6 February 2017	13 February 2017	£1.1500
95.00 per cent.	6 February 2018	13 February 2018	£1.2250
90.00 per cent.	6 February 2019	13 February 2019	£1.3000
85.00 per cent.	6 February 2020	13 February 2020	£1.3750

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

PROVISIONS RELATING TO SETTLEMENT

15. Cash Settlement Provisions:
- 15.1 Cash Settlement Amount: Unless previously exercised, 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 methodology as set out below:
- (a) if Barrier Condition has been satisfied, the Cash Settlement Amount shall be equal to the applicable Autocallable Amount; or
 - (b) if Barrier Condition has not been satisfied, the Cash Settlement Amount shall be determined in accordance with the methodology below:

- (1) if Asset Final Performance is greater than or equal to Barrier 1:

Calculation Amount * 145.00 per cent.

- (2) if Asset Final Performance is less than Barrier 1 but greater than or equal to Barrier 2:

Calculation Amount * 100.00 per cent.

- (3) If Asset Final Performance is less than Barrier 2:

Calculation Amount * (Participation * Asset Final Performance)

For these purposes:

"Asset" means each of FTSE 100 Index (Bloomberg Screen UKX <Index> page) and S&P 500® Index (Bloomberg Screen SPX <Index> page).

"Asset Early" means the Asset Level on the relevant Scheduled Observation Date.

"Asset Early Performance" means the Early Performance of the Early Laggard.

"Asset Final" means the Asset Level on the Final Valuation Date.

"Asset Final Performance" means the Final Performance of the Final Laggard.

"Asset Initial" means the Asset Level on the Initial Valuation Date.

"Asset Level" means the Closing Level of the relevant Asset.

"Autocallable Amount" has the value set out in the table in paragraph 12 Part A to these Final Terms in relation to the Scheduled Observation Date specified in such table in respect of which the Autocallable Amount has become payable or is triggered.

"Barrier 1" means 80.00 per cent.

"Barrier 2" means 50.00 per cent.

"Barrier (Early)" means the percentages as specified in the table in paragraph 12 of Part A to these Final Terms.

"Barrier Condition" shall mean Barrier Condition Early.

"Barrier Condition Early" shall mean Barrier Condition Early

(European).

"Barrier Condition Early (European)" shall be deemed satisfied if the Calculation Agent determines that on the relevant Scheduled Observation Date, Asset Early Performance is greater than or equal to Barrier (Early).

"Basket Asset" means an Asset that is a constituent of a basket of Assets, as specified in the table in paragraph 22.2 below.

"Closing Level" means the Closing Level (as defined in the Equity/ETF Linked Conditions).

"Early Laggard" shall mean in relation to the Scheduled Observation Date, the Asset with the lowest calculated Early Performance, as determined by the Calculation Agent in respect of the relevant date. For the avoidance of doubt, if two or more Basket Assets have the same Early Performance as of the Scheduled Observation Date, the Calculation Agent shall select any such Basket Asset as the Early Laggard acting in good faith and in a commercially reasonable manner.

"Early Performance" means, in respect of the relevant Asset, an amount expressed as a percentage, calculated and determined by the Calculation Agent in accordance with the following formula:

$$\frac{\text{Asset Early}}{\text{Asset Initial}}$$

"Final Laggard" shall mean the Asset with the lowest calculated Final Performance, as determined by the Calculation Agent in respect of the relevant date. For the avoidance of doubt, if two or more Assets in the Basket have the same Final Performance as of the Final Valuation Date, the Calculation Agent shall select any such Asset as the Final Laggard acting in good faith and in a commercially reasonable manner.

"Final Performance" means, in respect of the relevant Asset, an amount expressed as a percentage, calculated and determined by the Calculation Agent in accordance with the following formula:

$$\frac{\text{Asset Final}}{\text{Asset Initial}}$$

"Participation" means 100.00 per cent.

"Scheduled Observation Date" means the dates specified as such in these Final Terms.

15.2 Settlement Currency:

The settlement currency for the payment of the Cash Settlement Amount is GBP.

15.3 Rounding:

Rounded down

16.	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.
17.	Business Day Convention:	Not Applicable
18.	Issuer Early Cancellation:	Not Applicable
19.	Notice Periods for Illegality Cancellation, Regulatory Cancellation, Force Majeure Cancellation and Tax Cancellation:	
19.1	Maximum Period:	5 days
19.2	Minimum Period:	5 days
20.	Key Dates relating to Variable Settlement Warrants	
	(a) Trade Date:	23 October 2014
	(b) Valuation Date(s):	Not Applicable
	(c) Initial Valuation Date:	6 February 2015
	(d) Scheduled Observation Date(s):	As specified in the table in paragraph 12 of Part A to these Final Terms
	(e) Calculation Date(s):	Not Applicable
	(f) Observation Period:	Not Applicable
	(g) Averaging Dates:	Averaging does not apply to the Warrants.
	(h) Final Valuation Date:	8 February 2021
	(i) Specified Maximum Days of Disruption:	See Equity Index/ETF Linked Condition 9.

PROVISIONS RELATING TO THE TYPE OF WARRANTS

21.	Equity Linked Warrants	Not Applicable
22.	Equity Index/ETF Linked Warrants	Applicable
22.1	Whether the Warrants relate to single index or ETF or a basket containing one or more indices or ETFs and the identity of each relevant Index/ETF:	Basket containing one or more indices
22.2	Equity Index:	Applicable

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

- 22.3 Exchange Traded Fund: Not Applicable
- 22.4 Index / ETF Level: Closing Level
- 22.5 Exchange(s) The relevant Exchange is specified in the table at paragraph 22.2 above
- 22.6 Related Exchange: The relevant Related Exchange is specified in the table at paragraph 22.2 above
- 22.7 Relevant Time: Scheduled Closing Time
- 22.8 Exchange Business Day Exchange Business Day (All Indices Basis)
- 22.9 Scheduled Trading Day Scheduled Trading Day (All Indices Basis)
- 22.10 Additional Disruption Events: Applicable

(a) Elected Events Only: Applicable

(b) The following Additional Disruption Events apply to the Warrants: Change in Law and Hedging Disruption

23. Inflation Index Linked Warrants: Not Applicable
24. Property Index Linked Warrants: Not Applicable
25. Fixed Income Benchmark Not Applicable


GENERAL PROVISIONS APPLICABLE TO THE WARRANTS

26. Form of Warrants: Registered Form: Permanent Global Warrant
27. Calculation Agent: Abbey National Treasury Services plc
2 Triton Square
Regent's Place
London NW1 3AN
United Kingdom
28. Linked Warrants: Not Applicable

RESPONSIBILITY

The Issuer and the Guarantor accept responsibility for the information contained in these Final Terms. The Issuer and the Guarantor each confirm that such information has been accurately reproduced and that, so far as they are aware and is/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:

A handwritten signature in black ink, appearing to be 'F. Lu', written over a dotted line.

By:

Duly authorised

PART B- OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING

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 the Official List of the Irish Stock Exchange and trading on its regulated market with effect on or about the Issue Date.

2. RATINGS

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 Authorised Offeror, 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 |
| 4.2 | Estimated net proceeds: | Not Applicable |
| 4.3 | Estimated total expenses: | Not Applicable |

5. PERFORMANCE OF REFERENCE ITEM, EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND OTHER INFORMATION CONCERNING REFERENCE ITEM

Exposure to the FTSE 100 Index and the S&P 500® Index (each an "Index" and together the "Indices")

The amount Securityholders will receive on redemption of the Warrants is calculated by reference to, and therefore dependent upon, the performance of each Index.

Performance of the basket of Indices and Effect on Value of Investment

If the Barrier Condition is satisfied on the applicable Scheduled Observation Date (as described in paragraph 12 of Part A to these Final Terms), the amount payable per Calculation Amount on the corresponding Settlement Date following due exercise of each Warrant will be equal to the relevant Autocallable Amount specified in the table below.

Barrier (Early)	Potential Exercise Date / Scheduled Observation Date	Autocallable Settlement Date	Autocallable Amount per Calculation Amount
100.00 per cent.	6 February 2017	13 February 2017	£1.1500
95.00 per cent.	6 February 2018	13 February 2018	£1.2250
90.00 per cent.	6 February 2019	13 February 2019	£1.3000
85.00 per cent.	6 February 2020	13 February 2020	£1.3750

If Barrier Condition is not satisfied, the Cash Settlement per Warrant payable following due exercise of each Warrant will be calculated in accordance with the provisions of paragraph 15 of Part A to these Final Terms. Defined terms used in the following illustrations have the meaning ascribed in Part A to these Final Terms.

The following table sets out illustrative values of the Cash Settlement Amount per Calculation Amount assuming different values for the Asset Final, as a percentage of Asset Initial in respect of Final Laggard.

Asset Final as a % of Asset Initial in respect of Final Laggard	Cash Settlement Amount per Calculation Amount
200%	£1.45
150%	£1.45
100%	£1.45
90%	£1.45
80%	£1.45
60%	£1.00
50%	£1.00
40%	£0.40
25%	£0.25
10%	£0.10
0%	£0.00

In a worst case scenario: In a worst case scenario, the Cash Settlement Amount per Calculation Amount would be zero, if Barrier Condition is not satisfied and the Asset Final of Final Laggard is zero.

Information in relation 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 accepts 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. 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 S&P 500[®] Index is a capitalisation-weighted index of 500 stocks. The Index is designed to measure performance of the broad United States domestic economy through changes in the aggregate market value of 500 stocks representing all major industries. The Index was developed with a base level of 10 for the 1941-43 base period.

The official closing level of the FTSE 100 Index is published on Bloomberg Screen UKX <Index>. The official closing level of the S&P 500[®] Index is published on Bloomberg Screen SPX <Index>. The description of each Index has been

extracted from the Bloomberg Service. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published on Bloomberg service, no facts have been omitted which would render the reproduced information inaccurate or misleading.

Information on past performance and volatility of the Index can be obtained from various internationally recognised published or electronically displayed sources, for example Bloomberg Screen UKX <Index> and Bloomberg Screen SPX <Index> (or any successor service or page). The Issuer does not intend to provide any post issuance information, except if required by any applicable laws and regulations.

6. OPERATIONAL INFORMATION

6.1	ISIN:	GB00BRYG9D87
6.2	Common Code:	113127651
6.3	Any clearing system(s) other than Euroclear and Clearstream Luxembourg and the relevant identification number(s):	Not Applicable
6.4	Delivery:	Delivery against payment
6.5	Deemed delivery of clearing system notice for the purposes of Warrant Condition 14 (<i>Notices</i>):	Any notice delivered to Warrantholders through the clearing system will be deemed to have been given on the second business day after the day on which it was given to Euroclear and Clearstream, Luxembourg.
6.6	Governing law:	English

7. DISTRIBUTION

7.1	Method of distribution:	Non-syndicated
7.2	(i) If syndicated names of Managers and underwriting commitments:	Not Applicable
	(ii) Date of Subscription Agreement:	Not Applicable
	(iii) Stabilisation Manager(s) (if any):	Not Applicable
7.3	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
7.4	(a) Non-exempt Offer:	Applicable
	(b) Non-exempt Offer Jurisdiction:	The United Kingdom
	(c) Offer Period	From (and including) 9:00 a.m. (London time) on 30 October 2014 to (and including) 5:00 p.m. (London time) on 5 February 2015.
	(d) Financial intermediaries granted specific	Walker Crips Stockbrokers Ltd

consent to use the Base Prospectus in accordance with the Conditions in it: Finsbury Tower
103-105 Bunhill Row
London
EC1Y 8LZ ("Authorised Offeror")

- (e) General Consent: Not Applicable
- (f) Other Authorised Offeror Terms: Not Applicable

8. TERMS AND CONDITIONS OF THE PUBLIC OFFER

Applicable. The Authorised Offeror will manage a plan (the "Plan"), which, will be offered to the public in the Non-exempt Offer Jurisdiction in accordance with the arrangements listed below. The Authorised Offeror has selected the Warrants as one of the primary qualifying securities into which the Authorised Offeror will invest on behalf of investors in the Plan. The proceeds invested by investors in the Plan will be used by the Authorised Offeror to purchase the Warrants. It is understood that the performance of the Plan will be related to the performance of Warrants throughout the term of the Warrants. Accordingly, the amounts payable by the Authorised Offeror on the retirement of the Plan are linked to the amounts paid by the Issuer pursuant to the terms and conditions of the Warrants.

8.1 Offer Price: A prospective investor in the Plan should contact the Authorised Offeror for details of the Offer Price.

If any 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 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), 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 fee payment from such intermediary before making any purchase hereof.

8.2 Conditions to which the offer is subject: Offers of the Warrants are subject to the distribution arrangements in place between the Dealer and the Authorised Offeror. The Issuer reserves the right, in its absolute discretion, to cancel the offer and issue of the Warrants at any time prior to the Issue Date, to end the Offer Period early and/or to extend the Offer Period. Information regarding any such cancellation, early termination or extension of the Offer Period will be made available both on the website of the Irish Stock Exchange (www.ise.ie) and on the Issuer's website http://www.santander.co.uk/uk/about-santander-uk/investor-relations/abbey-omnibus-programme?p_p_id=W033_Notification_WAR_W033_Notificationportlet&p_p_lifecycle=1&p_p_state=normal&p_p_mode=view&p_p_col_id=column-2&p_p_col_count=3&_W033_Notification_WAR_W033_Notificationportlet_javax.portlet.action=DFCW_LR_033_NotificationAcceptAction&_W033_Notification_WAR_W033_Notificationportlet_base.portlet.view=DFCW_LR_033_NotificationRenderView&_W033_Notification_WAR_W033_Notificationportlet_base.portlet.urlAja

~~xReady=true~~ on or prior to the Issue Date. As between the Dealer and its Authorised Offeror 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 Authorised Offeror to its customers, see Paragraph 8.4 of Part B to these Final Terms.

Any offer of the Plan or of the Warrants comprised therein by the Authorised Offeror 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 Authorised Offeror will be liable for the offer in the Non-exempt Offer Jurisdiction. None of the Issuer, Guarantor or Dealer accepts any liability for the offer or sale by the Authorised Offeror of an investment in the Plan to investors in the Non-exempt Offer Jurisdiction.

8.3 Description of the application process:

A prospective investor in the Plan should contact the Authorised Offeror 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 Authorised Offeror 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 Non-exempt 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 Authorised Offeror 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 Non-exempt 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 Authorised Offeror must comply with all applicable laws and regulations of the Non-exempt Offer Jurisdiction in connection with the offer and sale of Warrants at its own expense.

8.4 Details of the minimum and/or maximum amount of application:

A prospective investor in the Plan should contact an Authorised Offeror for details of any minimum and/or maximum amount of the individual applications for an interest in the Plan.

- 8.5 Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants: A prospective investor in the Plan should contact the Authorised Offeror 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 8.1 above of Part B to these Final Terms.
- 8.6 Details of the method and time limits for paying up and delivering the Warrants: A prospective investor in the Plan should contact the Authorised Offeror for details of the method and time limits for paying up and delivering an interest in the Plan.
- 8.7 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 Irish Stock Exchange (www.ise.ie) and on the Issuer's website http://www.santander.co.uk/uk/about-santander-uk/investor-relations/abbey-omnibus-programme?p_p_id=W033_Notification_WAR_W033_Notificationportlet&p_p_lifecycle=1&p_p_state=normal&p_p_mode=view&p_p_col_id=column-2&p_p_col_count=3&_W033_Notification_WAR_W033_Notificationportlet_javax.portlet.action=DFCW_LR_033_NotificationAcceptAction&_W033_Notification_WAR_W033_Notificationportlet_base.portlet.view=DFCW_LR_033_NotificationRenderView&_W033_Notification_WAR_W033_Notificationportlet_base.portlet.urlAjaxReady=true and at the registered office of the Issuer and the Guarantor on or prior to the Issue Date.
-
- 8.8 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 Authorised Offeror for details of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised.
- 8.9 Whether tranche(s) have been reserved for certain countries: The Plan will be offered to potential investors in the Non-exempt Offer Jurisdiction by the Authorised Offeror. It is not contemplated that the Warrants will be directly offered to the public in any jurisdiction.
- Offers may only be made by the Authorised Offeror in the Non-exempt 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 Authorised Offeror 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, they should seek legal advice.

- 8.10 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 Authorised Offeror at the price of not less than 97.00 per cent. of the Issue Price per Warrant.
- The Authorised Offeror will offer and sell their Plan to their customers in accordance with the arrangements in place between the Authorised Offeror and its customers by reference to the Offer Price and the market conditions prevailing at the time.
- 8.11 Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made: Prospective Warrantheolders will be notified by the Authorised Offerors in accordance with the arrangements in place between the Authorised Offeror and its customers. For the avoidance of doubt, no dealings in the Warrants may take prior to the Issue Date.
- 8.12 Amount of any expenses and taxes specifically charged to the subscriber or purchaser: A prospective investor in the Plan should contact the Authorised Offeror for details of any expenses and taxes that would be specifically charged in relation to any subscription of an interest in the Plan.
- 8.13 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 Authorised Offeror.~~ 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 Authorised Offeror in accordance with the arrangements in place between any such Dealer or any such Authorised Offeror and its customers.

The Dealer has acknowledged and agreed, and any Authorised Offeror 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 Non-exempt 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 Non-exempt 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 Base Prospectus and the provisions of these Final Terms and in compliance with all applicable laws and regulations.

SUMMARY OF THE WARRANTS

Summaries are made up of disclosure requirements known as "Elements". These Elements are numbered in Sections A – E (A.1 – E.7). This Summary contains all the Elements required to be included in a summary for this type of securities and Issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements. Even though an Element may be required to be inserted in the summary because of the type of securities and Issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in the summary with the mention of not applicable.

SECTION A – INTRODUCTION AND WARNINGS

Element	
A.1	<p>This summary should be read as an introduction to the Base Prospectus and the applicable Final Terms. Any decision to invest in any Securities should be based on a consideration of this Base Prospectus as a whole, including any documents incorporated by reference and the applicable Final Terms. Where a claim relating to information contained in the Base Prospectus and the applicable Final Terms is brought before a court in a Member State of the European Economic Area, the plaintiff may, under the national legislation of the Member State where the claim is brought, be required to bear the costs of translating the Base Prospectus and the applicable Final Terms before the legal proceedings are initiated. Civil liability attaches to the Issuer or the Guarantor in any such Member State solely on the basis of this summary, including any translation of it, unless it but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of this Base Prospectus and the applicable Final Terms or, following the implementation of the relevant provisions of Directive 2010/73/EU in the relevant Member State, it does not provide, when read together with the other parts of this Base Prospectus and the applicable Final Terms, key information in order to aid investors when considering whether to invest in the Securities.</p>
A.2	<p>Certain Tranches of Securities with a denomination of less than €100,000 (or its equivalent in any other currency) may be offered in circumstances where there is no exemption from the obligation under the Prospectus Directive to publish a prospectus. Any such offer is referred to as a "Non-exempt Offer".</p>
	<p><i>Consent:</i> Subject to the conditions set out below, the Issuer consents to the use of this Base Prospectus in connection with a Non-exempt Offer of Securities by the Dealer and Walker Crips Stockbrokers Ltd (of Finsbury Tower, 103-105 Bunhill Row, London EC1Y 8LZ) (the "Authorised Offeror").</p> <p><i>Consent period:</i> The Issuer's consent referred to above is given for Non-exempt Offers of Securities during the period beginning on the start date of the relevant Offer Period and ending on the earliest of (i) the end date of the relevant Offer Period, (ii) the date occurring 12 months after the date of the Base Prospectus or (iii) in the event that the Base Prospectus is superseded by a base prospectus of the Issuer which is approved and published by the Issuer during the Offer Period (a "New Base Prospectus") and the Issuer has amended, restated and issued the applicable Final Terms pursuant to the New Base Prospectus, the date on which such amended and restated Final Terms are published (the "Consent Period").</p>
	<p><i>Offer period:</i> The offer period is from (and including) 9.00am (London time) on 30 October 2014 to (and including) 5.00pm (London time) on 5 February 2015 (the "Offer Period").</p>
	<p><i>Conditions to consent:</i> The conditions to the Issuer's consent are that such consent (a) is only valid during the Consent Period (b) only extends to the use of this Base Prospectus to make Non-exempt Offers of the relevant Tranche of Securities in the United Kingdom .</p> <p>AN INVESTOR INTENDING TO PURCHASE OR PURCHASING ANY SECURITIES IN A NON-EXEMPT OFFER FROM AN AUTHORISED OFFEROR WILL DO SO, AND OFFERS AND SALES OF SUCH SECURITIES TO AN INVESTOR BY SUCH AUTHORISED OFFEROR WILL BE MADE, IN ACCORDANCE WITH ANY TERMS AND CONDITIONS OF THE OFFER IN PLACE BETWEEN SUCH AUTHORISED OFFEROR AND SUCH INVESTOR INCLUDING ARRANGEMENTS IN RELATION TO PRICE,</p>

ALLOCATIONS, EXPENSES AND SETTLEMENT.THE RELEVANT INFORMATION WILL BE PROVIDED BY THE AUTHORISED OFFEROR.

SECTION B – ISSUER AND GUARANTOR

Element	
B.1	<p>Legal and commercial name of the Issuer Abbey National Treasury Services plc</p>
B.2	<p>Domicile / legal form / legislation / country of incorporation The Issuer is a public limited company incorporated and domiciled in England and Wales, registered under the Companies Act 1985.</p>
B.4b	<p>Trend information</p> <p>Despite recent improvements in certain segments of the global economy, uncertainties remain concerning the future economic environment. Uncertainty surrounding future economic developments of the Eurozone remains an issue and interest rate differentials among Eurozone countries still indicate continued doubts about some governments' ability to fund themselves sustainably and affect borrowing rates in those economies.</p> <p>The global credit market conditions have suffered from the general lack of liquidity in the secondary market for many types of instruments which may include instruments similar to the Securities.</p> <p>The Group faces substantial competition in all parts of its business. The market for UK financial services is highly competitive and the recent financial crisis continues to reshape the banking landscape in the UK.</p> <p>Financial services providers face increasingly stringent and costly regulatory and supervisory requirements, particularly in the areas of regulatory capital and liquidity management, the conduct of business, the structure of operations and the integrity of financial services delivery. Increased government intervention and control over financial institutions, together with measures to reduce systemic risk, may significantly impact the competitive landscape.</p>
B.5	<p>Description of the Group The Issuer and its subsidiaries comprise the Issuer's immediate group (the "ANTS Group"). The Issuer is a direct wholly owned subsidiary of Santander UK plc (the "Guarantor") and, along with the Guarantor's other subsidiaries, forms part of the Santander UK group (the "Santander UK Group"). The Guarantor is a wholly owned subsidiary of Santander UK Group Holdings Limited, which is a subsidiary of Banco Santander, S.A. which is the ultimate parent company. The Guarantor and its subsidiaries, along with the other subsidiaries of Banco Santander, S.A., form part of the Banco Santander S.A. group (the "Santander Group").</p>
B.9	<p>Profit forecast or estimate Not Applicable - No profit forecasts or estimates have been made in the Base Prospectus.</p>
B.10	<p>Audit report qualifications Not Applicable - No qualifications are contained in any audit report included in the Base Prospectus.</p>
B.12	<p>Selected historical key financial information</p> <p>The audited consolidated balance sheet as at 31 December 2012 and 31 December 2013 and unaudited consolidated balance sheet as at 30 June 2014 and audited income statement as of, and for each of the years ended, 31 December 2012 and 2013 and unaudited income statement as of, and for each of the six month periods ended 30 June 2013 and 30 June 2014, have been extracted without any adjustment from, and should be read in conjunction with, the Issuer's consolidated financial statements in respect of those dates and periods:</p>

Consolidated Balance Sheet

	30 June 2014 (unaudited) £m	31 December 2013 (audited) £m	31 December 2012 (audited) £m
Assets			
Cash and balances at central banks	7,452	4,911	388
Trading assets	18,307	21,897	22,498
Derivative financial instruments	21,379	21,550	33,276
Financial assets designated at fair value	2,543	2,534	3,531
Loans and advances to banks	110,454	113,649	106,986
Loans and advances to customers	38,032	41,108	44,750
Available-for-sale securities	2,550	2,962	5,113
Loans and receivables securities	96	128	162
Macro hedge of interest rate risk	399	379	1,171
Intangible assets	8	8	7
Property, plant and equipment	7	6	6
Deferred tax assets	-	15	20
Other assets	193	180	4
Total assets	201,420	209,327	217,912
Liabilities			
Deposits by banks	118,326	120,698	114,535
Deposits by customers	4,824	7,780	6,249
Trading liabilities	17,848	21,275	21,109
Derivative financial instruments	21,607	21,496	34,088
Financial liabilities designated at fair value	3,252	3,407	4,002
Debt securities in issue	31,717	30,889	33,770
Other liabilities	324	368	169
Provisions	-	23	20
Current tax liabilities	225	223	175
Total liabilities	198,123	206,159	214,117
Equity			
Share capital	2,549	2,549	2,549
Retained earnings	705	640	1,226
Other reserves	43	(21)	20
Total shareholders' equity	3,297	3,168	3,795
Total liabilities and equity	201,420	209,327	217,912

Consolidated Income Statement

	Six months ended 30 June 2014 (unaudited) £m	Six months ended 30 June 2013 (unaudited) £m	Year ended 31 December 2013 (audited) £m	Year ended 31 December 2012 (audited) £m
Interest and similar income	1,184	1,593	2,697	3,870
Interest expense and similar charges	(1,234)	(1,601)	(2,798)	(3,731)
Net interest income	(50)	(8)	(101)	139
Net fee and commission income	56	61	107	119
Net trading and other income	184	375	406	304
Total operating income	190	428	412	562
Administration expenses	(125)	(108)	(192)	(198)
Depreciation and amortisation	(1)	(1)	(3)	(3)
Total operating expenses excluding impairment losses, provisions and charges	(126)	(109)	(195)	(201)
Impairment losses on loans and advances	-	(18)	(31)	(9)
Provisions for other liabilities and charges	-	-	(23)	(20)
Total operating impairment losses, provisions and charges	-	(18)	(54)	(29)
Profit before tax	64	301	163	332
Taxation credit/(charge)	1	(45)	1	(68)
Profit for the year	65	256	164	264

	<p>Statements of no significant or material adverse change</p> <p>There has been no significant change in the financial position of the ANTS Group (including the Issuer) since 30 June 2014 and there has been no material adverse change in the prospects of the Issuer since 31 December 2013.</p>
B.13	<p>Events impacting the Issuer's solvency</p> <p>Not Applicable - There are no recent events particular to the Issuer which are to a material extent relevant to the evaluation of the Issuer's solvency.</p>
B.14	<p>Dependence upon other group entities</p> <p>The Guarantor has given a full and unconditional guarantee in respect of the unsubordinated liabilities of the Issuer incurred prior to 30 June 2015 under a deed poll guarantee entered into by the Guarantor on 10 May 2012. The Issuer has given a reciprocal guarantee in respect of the unsubordinated liabilities of the Guarantor incurred prior to 30 June 2015. See B.18 below for details of the independent guarantee of the Securities by the Guarantor. Neither the Issuer nor the Guarantor relies on a guarantee from Banco Santander, S.A. or any other member of the Santander Group to generate funding or liquidity. Similarly, neither the Issuer nor the Guarantor raises funds to finance or guarantee the debts of other members of the Santander Group. See further Element B.5 above.</p>
B.15	<p>Principal activities</p> <p>The Issuer's business consists of three main divisions: Commercial Banking, Markets and Corporate Centre.</p> <p>(a) Commercial Banking</p> <p>Commercial Banking offers a wide range of products and financial services to UK companies. Commercial Banking products and services include loans, bank accounts, deposits and treasury services.</p> <p>The Large Corporates business offers specialist treasury services in fixed income and foreign exchange, lending, transactional banking services, capital markets and money markets to large multi-national corporate customers. Lending includes syndicated loans and structured finance. Transactional banking includes trade finance and cash management. Money market activities include securities lending/borrowing and repos.</p> <p>(b) Markets</p> <p>Markets offers risk management and other services to financial institutions, as well as other Santander UK divisions. Its main product areas are fixed income and foreign exchange, equity, capital markets and institutional sales.</p> <p>(c) Corporate Centre</p> <p>Corporate Centre consists of Financial Management and Investor Relations ("FMIR") and the non-core portfolios of social housing loans and structured credit assets. FMIR is responsible for managing capital and funding, balance sheet composition and structure, structural market risk and strategic liquidity risk for the Santander UK Group. The non-core portfolios are being run-down and/or managed for value.</p>
B.16	<p>Controlling shareholders</p> <p>The Issuer is a direct wholly owned subsidiary of the Guarantor.</p>
B.17	<p>Credit ratings</p> <p>The long-term debt of the Issuer has been rated A2 by Moody's Investors Service Ltd ("Moody's") and A by Fitch Ratings Ltd. ("Fitch") and the short-term debt of the Issuer has been rated P-1 by Moody's and F1 by Fitch.</p>
	<p>As at the Issue Date it is not intended that the Securities will be rated.</p> <p>A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or</p>

	withdrawal at any time by the assigning rating agency.
B.18	<p>Description of the Guarantee</p> <p>The Securities will be unconditionally and irrevocably guaranteed by the Guarantor. The obligations of the Guarantor under its guarantee will be direct, unconditional, unsecured and unsubordinated obligations of the Guarantor and will rank <i>pari passu</i> and equally with all present and future unsecured and unsubordinated obligations of the Guarantor without any preference among themselves and without any preference one above the other by reason of priority of date of issue, currency of payment or otherwise, except for obligations given priority by law.</p>
B.19	<p>Information about the Guarantor</p>
	<p>B.1 Legal and commercial name of the Guarantor</p> <p>Santander UK plc</p>
	<p>B.2 Domicile / legal form / legislation / country of incorporation</p> <p>The Guarantor is a public limited liability company incorporated and domiciled in England and Wales, registered under the Companies Act 1985.</p>
	<p>B.4b Trend information</p> <p>See Element B.4b above.</p>
	<p>B.5 Description of the Group</p> <p>See Element B.5 above.</p>
	<p>B.9 Profit forecast or estimate</p> <p>Not Applicable - No profit forecasts or estimates have been made in the Base Prospectus.</p>
	<p>B.10 Audit report qualifications</p> <p>Not Applicable - No qualifications are contained in any audit report included in the Base Prospectus.</p>
	<p>B.12 Selected historical key financial information</p> <p>The audited consolidated balance sheet and income statement below, specified as extracted from an Annual Report, have been extracted without any modification from, and should be read in conjunction with, the Guarantor's consolidated financial statements in respect of the dates and periods specified.</p> <p>The unaudited consolidated balance sheet and income statement below, specified as extracted from a Half Yearly Financial Report, have been extracted without any modification from, and should be read in conjunction with, the Guarantor's 2014 Half Yearly Financial Report. Unaudited financial information included for comparative purposes in these sections as at 31 December 2013 and for the six months ended 30 June 2013 has been adjusted since its original publication, to reflect the adoption of IFRIC Interpretation 21 ("IFRIC 21")* and its impact on the timing of the recognition of the charge for the Financial Services Compensation Scheme.</p> <p>The unaudited summary balance sheet and income statement below, specified as extracted from extracted from the Quarterly Management Statement for the nine months ended 30 September 2014, have been extracted without any modification from, and should be read in conjunction with, the Guarantor's financial information included in the Quarterly Management Statement for the nine months ended 30 September 2014. Unaudited financial information included for comparative purposes in these sections as at 31 December 2013 and for the nine months ended 30 September 2013 has been adjusted since its original publication to reflect the adoption of IFRIC Interpretation 21 ("IFRIC 21") and its impact on the timing of the recognition of the charge for the Financial Services Compensation Scheme.</p> <p>* In May 2013, the IFRS Interpretations Committee issued IFRIC 21 which provides guidance on accounting for the liability to pay a government imposed levy. IFRIC 21 is effective in the EU for annual periods beginning on or after 17 June 2014, however, earlier application is permitted and Santander UK has elected to do so. This interpretation clarifies that the obligating event that gives rise to a</p>

liability to pay a government levy is the activity that triggers the payment of the levy as set out in the relevant legislation. An entity does not have a constructive obligation to pay a levy that will be triggered by operating in a future period. The adoption of IFRIC 21 changed the accounting for the Financial Services Compensation Scheme, but did not affect the accounting for any other government imposed levy paid by Santander UK.

Consolidated Balance Sheet (extracted from Annual Report)

	31 December 2013 (audited) £m	31 December 2012 (audited) £m
Assets		
Cash and balances at central banks	26,374	29,282
Trading assets	22,294	22,498
Derivative financial instruments	20,049	30,146
Financial assets designated at fair value	2,747	3,811
Loans and advances to banks	2,347	2,438
Loans and advances to customers (Net)	184,587	190,782
Loans and receivables securities	1,101	1,259
Available-for-sale securities	5,005	5,483
Macro hedge of interest rate risk - asset	769	1,222
Interests in other entities	27	8
Intangible assets	2,335	2,325
Property, plant and equipment	1,521	1,541
Current tax assets	114	50
Deferred tax assets	35	60
Retirement benefit assets	118	254
Other assets	882	1,885
Total assets	270,305	293,044
Liabilities		
Deposits by banks	8,696	9,935
Deposits by customers	147,167	149,037
Trading liabilities	21,278	21,109
Derivative financial instruments liabilities	18,863	28,861
Financial liabilities designated at fair value	3,407	4,002
Debt securities in issue	50,870	59,621
Subordinated liabilities	4,306	3,781
Other liabilities	1,883	2,526
Provisions	639	914
Current tax liabilities	4	4
Retirement benefit obligations	672	305
Total liabilities	257,785	280,095
Equity		
Share capital and other equity instruments	3,709	3,999
Share premium	5,620	5,620
Retained earnings	3,307	3,312
Other reserves	(116)	18
Total shareholders' equity	12,520	12,949
Total liabilities and equity	270,305	293,044

Consolidated Balance Sheet (extracted from Half Yearly Financial Report)

	30 June 2014 (unaudited) £m	31 December 2013* (unaudited) £m
Assets		
Cash and balances at central banks	26,568	26,374
Trading assets	18,701	22,294
Derivative financial instruments	19,159	20,049
Financial assets designated at fair value	2,754	2,747
Loans and advances to banks	2,325	2,347
Loans and advances to customers (Net)	186,094	184,587
Loans and receivables securities	869	1,101
Available-for-sale securities	7,755	5,005

Macro hedge of interest rate risk - asset	727	769
Interests in other entities	36	27
Intangible assets	2,105	2,335
Property, plant and equipment	1,530	1,521
Current tax assets	50	114
Deferred tax assets	-	16
Retirement benefit assets	235	118
Other assets	1,312	882
Total assets	270,220	270,286
Liabilities		
Deposits by banks	8,234	8,696
Deposits by customers	150,734	147,167
Trading liabilities	17,848	21,278
Derivative financial instruments liabilities	19,030	18,863
Financial liabilities designated at fair value	3,252	3,407
Debt securities in issue	50,258	50,870
Subordinated liabilities	4,272	4,306
Other liabilities	1,887	1,883
Provisions	610	550
Current tax liabilities	2	4
Deferred tax liabilities	87	-
Retirement benefit obligations	408	672
Total liabilities	256,622	257,696
Equity		
Share capital and other equity instruments	4,209	3,709
Share premium	5,620	5,620
Retained earnings	3,640	3,377
Other reserves	129	(116)
Total shareholders' equity	13,598	12,590
Total liabilities and equity	270,220	270,286
* Adjusted to reflect the adoption of IFRIC 21		

Summary balance sheet (extracted from Quarterly Management Statement for the nine months ended 30 September 2014)

	30 September 2014 (unaudited)	31 December 2013 [*] (unaudited)
	£bn	£bn
Assets		
Retail Banking	158.3	155.6
Commercial Banking	23.5	22.1
Corporate Centre	8.6	9.4
Customer assets	190.4	187.1
Other assets	85.1	83.2
Total assets	275.5	270.3
Liabilities		
Retail Banking	127.7	123.2
Commercial Banking	14.5	12.6
Corporate Centre	8.7	10.6
Customer deposits	150.9	146.4
Medium term funding ('MTF')	56.6	57.6
Other liabilities	54.0	53.7
Total liabilities	261.5	257.7

Equity	14.0	12.6
Total liabilities and equity	275.5	270.3

* Adjusted to reflect the adoption of IFRIC 21

<i>Consolidated Income Statement (extracted from Annual Report)</i>		
	Year ended 31 December 2013 (audited) £m	Year ended 31 December 2012 (audited) £m
Interest and similar income	7,170	7,432
Interest expense and similar charges	(4,207)	(4,698)
Net interest income	2,963	2,734
Fee and commission income	1,058	1,086
Fee and commission expense	(300)	(225)
Net fee and commission income	758	861
Net trading and other income	308	1,088
Total operating income	4,029	4,683
Administration expenses	(1,947)	(1,873)
Depreciation, amortisation and impairment	(248)	(241)
Total operating expenses excluding impairment losses, provisions and charges	(2,195)	(2,114)
Impairment losses on loans and advances	(475)	(988)
Provisions for other liabilities and charges	(220)	(434)
Total operating impairment losses, provisions and charges	(695)	(1,422)
Profit on continuing operations before tax	1,139	1,147
Tax on profit on continuing operations	(218)	(270)
Profit on continuing operations after tax	921	877
(Loss)/Profit from discontinued operations after tax	(8)	62
Profit after tax	913	939

<i>Consolidated Income Statement (extracted from Half Yearly Financial Report)</i>		
	Six months ended 30 June 2014 (unaudited) £m	Six months ended 30 June 2013 (unaudited)* £m
Interest and similar income	3,421	3,624
Interest expense and similar charges	(1,748)	(2,233)
Net interest income	1,673	1,391
Fee and commission income	534	532
Fee and commission expense	(169)	(143)
Net fee and commission income	365	389
Net trading and other income	154	181
Total operating income	2,192	1,961
Administration expenses	(876)	(992)
Depreciation, amortisation and impairment	(347)	(121)
Total operating expenses excluding impairment losses, provisions and charges	(1,223)	(1,113)
Impairment losses on loans and advances	(172)	(235)
Provisions for other liabilities and charges	(252)	(152)
Total operating impairment losses, provisions and charges	(424)	(387)
Profit on continuing operations before tax	545	461
Tax on profit on continuing operations	(107)	(90)
Profit on continuing operations after tax	438	371
(Loss)/Profit from discontinued operations after tax	-	(12)

Profit after tax	438	359
*Adjusted to reflect the adoption of IFRIC 21		
Summary income statement (extracted from Quarterly Management Statement for the nine months ended 30 September 2014)		
	Nine months ended 30 September 2014 (unaudited) £m	Nine month ended 30 September 2013 (unaudited) * £m
Net interest income	2,544	2,151
Non-interest income	776	807
Total operating income	3,320	2,958
Administrative expenses	(1,385)	(1,470)
Depreciation, amortisation and impairment	(412)	(180)
Operating expenses	(1,797)	(1,650)
Impairment losses on loans and advances	(240)	(360)
Provisions for other liabilities and charges	(272)	(145)
Total operating provisions and charges	(512)	(505)
Profit before tax from continuing operations	1,011	803
Taxation charge on continuing operations	(204)	(155)
Profit after tax from continuing operations	807	648
Discontinued operations	-	(12)
Profit after tax for the period	807	636

Adjusted to reflect the adoption of IFRIC 21

Statements of no significant or material adverse change	
There has been no significant change in the financial position of the Santander UK Group (including the Guarantor) since 30 September 2014 and there has been no material adverse change in the prospects of Santander UK plc since 31 December 2013.	
B.13	Events impacting the Guarantor's solvency Not Applicable - There are no recent events particular to the Guarantor which are to a material extent relevant to an evaluation of its solvency.
B.14	Dependence upon other Group entities The Guarantor is dependent upon the Issuer and the other members of the Santander UK Group. See further Element B.5 and Element B.14 above.
B.15	The Guarantor's Principal activities The Guarantor's business divisions consist of Retail Banking, Commercial Banking, Markets and Corporate Centre.
Retail Banking Retail Banking offers a wide range of products and financial services to customers through a network of branches and ATMs, as well as through telephony, e-commerce and intermediary channels. It principally serves personal banking customers, but also services small businesses with a turnover of less than £250,000 per annum. Retail Banking products include residential mortgage loans, savings and current accounts, credit cards and personal loans as well as a range of insurance products.	

	<p>Commercial Banking</p> <p>Commercial Banking offers a wide range of products and financial services to customers through a network of regional corporate business centres and through telephony and e-commerce channels. Commercial Banking products and services include loans, bank accounts, deposits, treasury services, invoice discounting, cash transmission and asset finance.</p> <p>The Large Corporates business offers specialist treasury services in fixed income and foreign exchange, lending, transactional banking services, capital markets and money markets to large multinational corporate customers with an annual turnover of more than £500m. Lending includes syndicated loans and structured finance. Transactional banking includes trade finance and cash management. Money market activities include securities lending/borrowing and repos.</p> <p>Markets</p> <p>Markets offers risk management and other services to financial institutions, as well as other Santander UK divisions. Its main product areas are fixed income and foreign exchange, equity, capital markets and institutional sales.</p> <p>Corporate Centre</p> <p>Corporate Centre includes Financial Management & Investor Relations ("FMIR") and the non-core corporate and legacy portfolios, as well as the co-brand credit cards business sold in 2013 which has been presented as discontinued operations. FMIR is responsible for managing capital and funding, balance sheet composition and structure and strategic liquidity risk for the Santander UK group. The non-core corporate and legacy portfolios include aviation, shipping, infrastructure, commercial mortgages, Social Housing loans and structured credit assets, all of which are being run-down and/or managed for value.</p>
	<p>B.16 Controlling shareholders</p> <p>As at the date of this Prospectus, the Guarantor is a wholly owned subsidiary of Santander UK Group Holdings Limited, which is a subsidiary of Banco Santander, S.A. Banco Santander, S.A. and its subsidiary Santusa Holding, S.L. together hold the entire issued share capital of Santander UK Group Holdings Limited.</p>
	<p>B.17 Credit ratings</p> <p>The long-term debt of the Guarantor has been rated A by Standard & Poor's Credit Market Services Europe Limited ("S&P"), A2 by Moody's Investors Service Ltd ("Moody's") and A by Fitch Ratings Ltd. ("Fitch") and the short-term debt of the Guarantor has been rated A-1 by S&P, P-1 by Moody's and F1 by Fitch.</p>
	<p>A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.</p>

SECTION C – SECURITIES

Element	
C.1	<p>Type and class of the Securities</p> <p>Title of Securities: GBP "Bermudan Style" Call Warrants Linked to Equity Indices</p>
	<p>Series Number: 1049</p> <p>Tranche Number 1</p>
	<p>ISIN Code: GB00BRYG9D87</p> <p>Common Code: 113127651</p>

C.2	<p>Currency of the Securities</p> <p>Pound Sterling ("GBP" or "£")</p>												
C.5	<p>Restrictions on free transferability</p> <p>The Securities may not be transferred prior to the Issue Date. Selling restrictions apply to offers, sales or transfers of the Securities under the applicable laws in various jurisdictions. A purchaser of the Securities is required to make certain agreements and representations as a condition to purchasing the Securities.</p>												
C.8	<p>Description of the rights attaching to the Securities</p> <p>Status: The Securities constitute direct, unconditional, unsecured and unsubordinated obligations of the Issuer and rank <i>pari passu</i> without preference amongst themselves and, subject to any applicable statutory provisions or judicial order, at least equally with all other present and future direct, unconditional, unsecured and unsubordinated obligations of the Issuer.</p> <p>Guarantee: The Securities have the benefit of an unconditional and irrevocable guarantee by the Guarantor. Such obligations of the Guarantor constitute direct, unconditional, unsecured and unsubordinated obligations and rank <i>pari passu</i> with all present and future direct, unconditional, unsecured and unsubordinated obligations of the Guarantor, without preference amongst themselves and without any preference one above the other by reason of priority of date of issue, currency of payment or otherwise, except obligations given priority by law.</p> <p>Negative pledge: The Securities do not have the benefit of a negative pledge or cross-default provisions (in respect of events of default).</p> <p>Deed of covenant: The Securities have the benefit of a deed of covenant dated on or around 9 December 2014.</p> <p>Taxation: All payments in respect of the Securities will be made without deduction for or on account of withholding taxes imposed by any tax jurisdiction unless such deduction is required by law. In the event that any such deduction is required, neither the Issuer nor, as the case may be, the Guarantor will be required to pay any additional amounts to cover the amounts so deducted. Further, all payments in respect of the Securities will be made subject to any withholding or deduction required pursuant to fiscal and other laws, as provided in Condition 6.5(B) of the General Terms and Conditions of the N&C Securities, and Condition 9.3 of the General Terms and Conditions of the Warrants.</p> <p>Events of Default: This includes non-payment, non-performance or non-observance of the Issuer's or Guarantor's obligations in respect of the Securities and also the insolvency or winding up of the Issuer or the Guarantor. An event of default will only be treated as such if at least 25% of the Securityholders in nominal amount or number of units, as applicable, have requested this.</p> <p>Governing law: English law.</p>												
C.9	<table border="1"> <tr> <td colspan="2" data-bbox="209 1525 1428 1592">Payment Features</td> </tr> <tr> <td data-bbox="209 1592 499 1659">Issue Price:</td> <td data-bbox="499 1592 1428 1659">GBP1.00 per Security</td> </tr> <tr> <td data-bbox="209 1659 499 1727">Issue Date:</td> <td data-bbox="499 1659 1428 1727">13 February 2015</td> </tr> <tr> <td data-bbox="209 1727 499 1794">Calculation Amount:</td> <td data-bbox="499 1727 1428 1794">GBP1.00</td> </tr> <tr> <td data-bbox="209 1794 499 1928">Maturity Date / Settlement Date:</td> <td data-bbox="499 1794 1428 1928">The Settlement Date will be (i) 15 February 2021 or (ii) if earlier, the Autocallable Settlement Date specified in relation to the relevant Actual Exercise Date set out in the table below, in each case subject to adjustment.</td> </tr> <tr> <td data-bbox="209 1928 499 2036">Early Redemption Amount / Early</td> <td data-bbox="499 1928 1428 2036">The fair market value of the Warrants plus any exercise price paid less associated costs.</td> </tr> </table>	Payment Features		Issue Price:	GBP1.00 per Security	Issue Date:	13 February 2015	Calculation Amount:	GBP1.00	Maturity Date / Settlement Date:	The Settlement Date will be (i) 15 February 2021 or (ii) if earlier, the Autocallable Settlement Date specified in relation to the relevant Actual Exercise Date set out in the table below, in each case subject to adjustment.	Early Redemption Amount / Early	The fair market value of the Warrants plus any exercise price paid less associated costs.
Payment Features													
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Early Redemption Amount / Early	The fair market value of the Warrants plus any exercise price paid less associated costs.												

Cancellation Amount:

Warrants - If Barrier Condition has been satisfied, the Cash Settlement Amount shall be equal to the applicable Autocallable Amount. Otherwise it is determined as provided below.

Such redemption or settlement amounts, subject to due exercise having occurred, will become payable on the relevant Settlement Date specified in Element C16 below.

Warrants – Unless previously exercised, purchased or cancelled, the Cash Settlement Amount per Warrant payable in GBP on the Settlement Date shall be determined by the Calculation Agent in accordance with the methodology as set out below.

- (a) If the Barrier Condition has been satisfied, the Cash Settlement Amount shall be equal to the applicable Autocallable Amount; or
- (b) if the Barrier Condition has not been satisfied, the Cash Settlement Amount shall be determined in accordance with the methodology below:
- (1) if Asset Final Performance is greater than or equal to Barrier 1:
Calculation Amount * 145.00 per cent.
 - (2) if Asset Final Performance is less than Barrier 1 but greater than or equal to Barrier 2:
Calculation Amount * 100.00 per cent.
 - (3) If Asset Final Performance is less than Barrier 2:
Calculation Amount * (Participation * Asset Final Performance)

For these purposes:

"Asset" has the meaning in relation to the relevant Asset Class, a constituent of a basket of Asset set out in Element C20 below.

"Asset Class" means equity indices.

"Asset Early" means the Asset Level on the relevant Scheduled Observation Date.

"Asset Early Performance" means the Early Performance of the Early Laggard.

"Asset Final" means the Asset Level on the Final Valuation Date.

"Asset Final Performance" means the Final Performance of the Final Laggard.

"Asset Initial" means the Asset Level on the Initial Valuation Date.

"Asset Level" means the Closing Level of the relevant Asset.

"Autocallable Amount" has the value set out in the table below in relation to the Scheduled Observation Date specified in such table in respect of which the Autocallable Amount has become payable or is triggered.

Barrier (Early)	Potential Exercise Date / Scheduled Observation Date	Autocallable Settlement Date	Autocallable Amount per Calculation Amount
100.00 per cent.	6 February 2017	13 February 2017	£1.1500

95.00 per cent.	6 February 2018	13 February 2018	£1.2250
90.00 per cent.	6 February 2019	13 February 2019	£1.3000
85.00 per cent.	6 February 2020	13 February 2020	£1.3750
<p>"Barrier 1" means 80.00 per cent.</p> <p>"Barrier 2" means 50.00 per cent.</p> <p>"Barrier (Early)" means the percentages as specified in the table in paragraph 12 of Part A to these Final Terms.</p> <p>"Barrier Condition" shall mean Barrier Condition Early.</p> <p>"Barrier Condition Early" shall mean Barrier Condition Early (European).</p> <p>"Barrier Condition Early (European)" shall be deemed satisfied if the Calculation Agent determines that on the relevant Scheduled Observation Date, Asset Early Performance is greater than or equal to Barrier (Early).</p> <p>"Basket Asset" means an Asset that is a constituent of a basket of Assets.</p> <p>"Closing Level" means the closing level of the relevant Asset.</p> <p>"Early Laggard" shall mean in relation to the Scheduled Observation Date, the Asset with the lowest calculated Early Performance, as determined by the Calculation Agent in respect of the relevant date. For the avoidance of doubt, if two or more Basket Assets have the same Early Performance as of the Scheduled Observation Date, the Calculation Agent shall select any such Basket Asset as the Early Laggard acting in good faith and in a commercially reasonable manner.</p> <p>"Early Performance" means, in respect of the relevant Asset, an amount expressed as a percentage, calculated and determined by the Calculation Agent in accordance with the following formula:</p> $\frac{\text{Asset Early}}{\text{Asset Initial}}$ <p>"Final Laggard" shall mean the Asset with the lowest calculated Final Performance, as determined by the Calculation Agent in respect of the relevant date. For the avoidance of doubt, if two or more Assets in the Basket have the same Final Performance as of the Final Valuation Date, the Calculation Agent shall select any such Asset as the Final Laggard acting in good faith and in a commercially reasonable manner.</p> <p>"Final Performance" means, in respect of the relevant Asset, an amount expressed as a percentage, calculated and determined by the Calculation Agent in accordance with the following formula:</p> $\frac{\text{Asset Final}}{\text{Asset Initial}}$ <p>"Final Valuation Date" means 8 February 2021.</p> <p>"Initial Valuation Date" means 6 February 2015.</p> <p>"Participation" means 100.00 per cent.</p>			

	<p>"Scheduled Observation Date" means the dates specified as such in the table above.</p> <p>The above provisions are subject to adjustment as provided in the conditions of the Securities to take into account events in relation to the Asset(s) or the Securities. This may lead to adjustments being made to the Securities or in some cases the Securities being terminated early at an early redemption or cancellation amount.</p>	
C.10	<p>Derivative component on interest</p> <p>Not Applicable.</p>	
C.11	<p>Listing and Admission to trading</p> <p>Application for Securities has been made for listing on the Official List of the Irish Stock Exchange and for admission to trading on the Regulated Market of the Irish Stock Exchange.</p>	
C.15	<p>Description of how the value of the Securities is affected by the value of the underlying Asset</p> <p>The following table sets out illustrative values of the amounts payable per Security on the Settlement Date:</p>	
	<p>The indicative returns below apply where Barrier Condition has not been satisfied.</p>	
	<p>Asset Final as a % of Asset Initial in respect of Final Laggard</p>	<p>Cash Settlement Amount per Calculation Amount</p>
	200%	£1.45
	150%	£1.45
	100%	£1.45
	90%	£1.45
	80%	£1.45
	60%	£1.00
	50%	£1.00
	40%	£0.40
	25%	£0.25
	10%	£0.10
	0%	£0.00
	<p>These Securities are derivative securities and their value may go down as well as up.</p> <p>In a worst case scenario: In a worst case scenario, the Cash Settlement Amount per Calculation Amount would be zero, if Barrier Condition is not satisfied and the Asset Final of Final Laggard is zero.</p>	
C.16	<p>Expiration Date or Maturity Date of the Securities</p> <p>The exercise date is 8 February 2021 or, if earlier the date on which the Barrier Condition is satisfied, subject to adjustment.</p>	

	The Settlement Date will be (i) 15 February 2021 or (ii) if earlier, the Autocallable Settlement Date, in each case subject to adjustment.
C.17	Settlement procedures of the Securities The Securities will be settled on the applicable Settlement Date at the relevant amount per Security, in the case of Warrants following due exercise.
C.18	Description of how the return on derivative securities takes place For variable redemption Warrants the return is illustrated in item C.15 above. These Securities are derivative securities and their value may go down as well as up.
C.19	The exercise price or the final reference price of the underlying The exercise price shall be determined on the relevant Scheduled Observation Date or the Final Valuation Date, as the case may be.
C.20	A description of the type of the underlying and where the information of the underlying can be found Each of the following are a constituent of a Basket Asset: <ul style="list-style-type: none"> • Equity Index: FTSE 100 Index See Bloomberg Screen: UKX <Index>. • Equity Index: S&P 500® Index See Bloomberg Screen: SPX <Index>.

SECTION D – RISKS

Element	
D.2	<p>Key risks regarding the issuer and the guarantor</p> <p>In purchasing Securities, investors assume the risk that the Issuer and the Guarantor may become insolvent or otherwise be unable to make all payments due in respect of the Securities. There are a wide range of factors which individually or together could result in the Issuer and the Guarantor becoming unable to make all payments due in respect of the Securities. It is not possible to identify all such factors or to determine which factors are most likely to occur, as the Issuer and the Guarantor may not be aware of all relevant factors and certain factors which they currently deem not to be material may become material as a result of the occurrence of events outside the Issuer's and the Guarantor's control. However, the Issuer and the Guarantor have identified in the Base Prospectus a number of factors which could materially adversely affect their businesses and ability to make payments due under the Securities and the Guarantee, and they consider that the risks identified in the Base Prospectus include all the principal risks of an investment in the Securities. These include:</p> <ul style="list-style-type: none"> • the Group's operating results, financial condition and prospects may be materially impacted by economic conditions in the UK as well as regulatory capital, leverage and liquidity requirements imposed on the Issuer and the Guarantor; • the Group's operating results, financial condition and prospects may be negatively affected by conditions in global financial markets; • the Group's financial results are constantly exposed to market risk. The Group is subject to fluctuations in interest

	<p>rates and other markets risks, which may materially and adversely affect it;</p> <ul style="list-style-type: none"> • any reduction in the credit rating assigned to the Group, any member of the Group or to any Group debt securities would be likely to increase the Group's cost of funding, require additional collateral to be placed and adversely affect its interest margins and liquidity position; • the Group operates in a highly regulated environment that imposes costs and significant compliance requirements. Changes in regulations may increase the cost and complexity of doing business, or may disadvantage the Group relative to its competitors. The failure to comply with regulations could subject the Group to sanctions, force it to cease providing certain services, or oblige it to change the scope or nature of its operations; • customers and counterparties that owe the Group money, securities or other assets may default on their obligations to the Group due to bankruptcy, lack of liquidity, operational failure or other reasons; and • the Group's future success depends to a significant degree upon the continued contributions of its key personnel, its ability to recruit, train, retain and motivate personnel, and to ensure that employment contract terms are appropriate.
D.3	Key risks regarding the Securities
	<ul style="list-style-type: none"> • There are also risks associated with specified types of Securities and with the Securities and the markets generally, including that, unlike a bank deposit, the Securities are not protected by the Financial Services Compensation Scheme ("FSCS") or other government protection scheme. As a result, neither the FSCS nor any other government will pay compensation to an investor in the Securities upon the failure of the Issuer and/or the Guarantor. If the Issuer and/or the Guarantor go out of business or become insolvent, holders of the Securities may lose all or part of their investment in the Securities; • investors in Securities may lose up to the entire value of their investment in the Securities as a result of the occurrence of any of (a) the insolvency of either the Issuer and/or the Guarantor, (b) investors seeking to sell the Securities prior to their scheduled termination, (c) the relevant Securities being subject to certain adjustments in accordance with the terms and conditions of the Securities, and (d) amounts payable being subject to deductions for taxes and/or expenses;
	<ul style="list-style-type: none"> • the Securities represent direct, unconditional, unsecured and unsubordinated obligations of both the Issuer and the Guarantor and rank equally without any preference among themselves with all other present and future direct, unconditional, unsecured and unsubordinated obligations of the Issuer and Guarantor; • the market value and the amount payable on termination of the Securities may be adversely affected by a number of factors, and the price at which a holder of Securities may be able to sell Securities prior to termination may be at a substantial discount to the market value of such Securities on the Issue Date. A holder of such Securities may suffer a loss of some or up to all of the entire amount invested on termination; • the Securities will have no established trading market when issued, and one may never develop, or the Securities may be illiquid. In such case, investors may not be able to sell their Securities easily or at favourable prices; and • the Securities will be settled by the Issuer through one or more clearing systems and agents. In addition investors may hold Securities through one or more intermediaries. As a result it may be necessary to enforce rights under the Securities through such indirect holding structure and delays and settlement risk may exist as a result. <p>Additionally, the risks relating to investment in the Securities depend on their features and may include, inter alia, risks relating to (but not limited to) operational/business risk, credit risk, liquidity risk, interest rate risk, regulatory risk, reputational risk, competition risk, unsecured obligations, market risk, emerging market risk, hedging and potential conflicts of interest, tax liabilities, expenses and taxation, third party risk, structural risks relating to particular Securities, including with respect to certain underlyings, no claim against the reference item(s) to which the Securities relate, exchange rate risks,</p>

	<p>settlement disruption, illegality and cancellation, time lag after redemption or exercise, settlement risk, possible illiquidity of Securities, equity risk, currency risk, underlying volatility risk, fund risk, failure to deliver due to illiquidity, inflation risk, modification, meetings, market disruption, a requirement to hold a minimum amount of Securities transfer restrictions, exchange, listing and legal regulation risk, risk arising from Calculation Agent discretion, over-allotment risk, risk relating to the discontinuation or withdrawal of the offer period, risk relating to inventory securities issues prior to their date of purchase, risk arising in the event the United Kingdom joins the European Monetary Union and eurosystem eligibility risk.</p> <p>Additionally, the risks relating to investment in the Warrants include, <i>inter alia</i>, risks relating to (but not limited to) factors affecting the value and trading price of Warrants, the minimum exercise amount, and limitations on exercise and early exercise.</p>
D.6	<p>Risk Warning See D3 above. In addition:</p> <ul style="list-style-type: none"> investors in Securities may lose up to the entire value of their investment in the Securities as a result of the terms of the relevant Securities where invested amounts are subject to the performance of variable benchmarks such as equities, indices, fixed income benchmarks and exchange traded funds;
	<ul style="list-style-type: none"> the Issue Price of the Securities may be more than the market value of such Securities as at the Issue Date, and the price of the Securities in secondary market transactions;
	<ul style="list-style-type: none"> if the relevant Securities include leverage, potential holders of such Securities should note that these Securities will involve a higher level of risk, and that whenever there are losses such losses may be higher than those of a similar security which is not leveraged. Investors should therefore only invest in leveraged Securities if they fully understand the effects of leverage; and warrants may expire worthless. In addition, where "Automatic Exercise" is not specified in the applicable Final Terms, if Warrants are not exercised by the investor on the applicable exercise date, an investor's investment in the Warrants will expire worthless.

SECTION E – OFFER

Element	
E.2b	<p>Use of proceeds The net proceeds from each issue of Securities will be applied by the Issuer for its general corporate purposes. If, in respect of any particular issue, there is a particular identified use of proceeds, this will be stated in the applicable Final Terms.</p> <p>The net proceeds from the issue of Securities will be applied by the Issuer for its general corporate purposes.</p>
E.3	<p>Terms and conditions of the offer: If so specified in the applicable Final Terms, the Securities may be offered to the public in a Non-exempt Offer in one or more specified Non-exempt Offer jurisdictions.</p>
	<p>The terms and conditions of each offer of Securities will be determined by agreement between the Issuer and the relevant Dealers at the time of issue and specified in the applicable Final Terms. Offers of the Securities are conditional on their issue. An Investor intending to acquire or acquiring any Securities in a Non-exempt Offer from an Authorised Offeror will do so, and offers and sales of such Securities to an Investor by such Authorised Offeror will be made, in accordance with any terms and other arrangements in place between such Authorised Offeror and such Investor including as to price, allocations and settlement arrangements.</p>
	<p>This issue of Securities is being offered in a Non-exempt Offer in the United Kingdom.</p> <p>The issue price of the Securities is 100.00 per cent. of their nominal amount.</p>

An offer of the Warrants may be made by any Dealer and Walker Crips Stockbrokers Ltd (of Finsbury Tower, 103-105 Bunhill Row, London EC1Y 8LZ) the "Authorised Offeror") other than pursuant to Article 3(2) of the Prospectus Directive in the United Kingdom (the " Non-exempt Offer Jurisdiction") during the Offer Period.

The Authorised Offeror will manage a plan (the "Plan"), which, will be offered to the public in the Non-exempt Offer Jurisdiction in accordance with the arrangements listed below. The Authorised Offeror has selected the Warrants as one of the primary qualifying securities into which the Authorised Offeror will invest on behalf of investors in the Plan. The proceeds invested by investors in the Plan will be used by the Authorised Offeror 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 Authorised Offeror on the retirement of the Plan are linked to the amounts paid by the Issuer pursuant to the terms and conditions of the Warrants.

The Issuer has offered and will sell the Warrants to the Dealer (and no one else) at the price of 100.00 per cent. However, the Dealer will, in relation to each N&C Security issued, offer and sell the Warrants to the Authorised Offeror at the price of not less than 97.00 per cent. of the Issue Price.

The Issuer reserves the right, in its absolute discretion, to cancel the offer and issue of the Warrants at any time prior to the Issue Date, to end the Offer Period early and/or to extend the Offer Period. Information regarding any such cancellation, early termination or extension of the Offer Period will be made available both on the website of the Irish Stock Exchange (www.ise.ie) and on the Issuer's website [http://www.santander.co.uk/uk/about-santander-uk/investor-relations/abbey-omnibus-](http://www.santander.co.uk/uk/about-santander-uk/investor-relations/abbey-omnibus-programme?p_p_id=W033_Notification_WAR_W033_Notificationportlet&p_p_lifecycle=1&p_p_state=normal&p_p_mode=view&p_p_col_id=column-2&p_p_col_count=3&W033_Notification_WAR_W033_Notificationportlet_javax.portlet.action=DFCW_LR_033_NotificationAcceptAction&W033_Notification_WAR_W033_Notificationportlet_base.portlet.view=DFCW_LR_033_NotificationRenderView&W033_Notification_WAR_W033_Notificationportlet_base.portlet.urlAjaxReady=true)

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The Authorised Offeror will offer and sell their Plan to their customers in accordance with the arrangements in place between the Authorised Offeror and its customers by reference to the Offer Price and the market conditions prevailing at the time.

A prospective investor in the Plan should contact the Authorised Offeror for details of the Offer Price. Offers of the Warrants are subject to the distribution arrangements in place between the Dealer and the Authorised Offeror. The Issuer reserves the right not to issue the Warrants. As between the Dealer and its Authorised Offeror 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.

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 the Final Aggregate Nominal Amount will be made available both on the website of the Irish Stock Exchange (www.ise.ie) and on the Issuer's website

[http://www.santander.co.uk/uk/about-santander-uk/investor-relations/abbey-omnibus-](http://www.santander.co.uk/uk/about-santander-uk/investor-relations/abbey-omnibus-programme?p_p_id=W033_Notification_WAR_W033_Notificationportlet&p_p_lifecycle=1&p_p_state=normal&p_p_mode=view&p_p_col_id=column-2&p_p_col_count=3&W033_Notification_WAR_W033_Notificationportlet_javax.portlet.action=DFCW_LR_033_NotificationAcceptAction&W033_Notification_WAR_W033_Notificationportlet_base.portlet.view=DFCW_LR_033_NotificationRenderView&W033_Notification_WAR_W033_Notificationportlet_base.portlet.urlAjaxReady=true)
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	<p>A prospective investor in the Plan should contact the Authorised Offeror for details (i) of the application process in order to purchase an interest in the Plan during the Offer Period, (ii) of any minimum and/or maximum amount of the individual applications for an interest in the Plan, (iii) regarding the possibility to reduce their subscriptions during the Offer Period and the manner for refunding any excess amount paid, (iv) of the method and time limits for paying up and delivering an interest in the Plan, (v) of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised and (vi) of any expenses and taxes that would be specifically charged in relation to any subscription of an interest in the Plan.</p> <p>Prospective Securityholders will be notified by Authorised Offeror in accordance with the arrangements in place between the Authorised Offeror and its customers. For the avoidance of doubt, no dealings in the Warrants may take place prior to the Issue Date.</p>
<p>E.4</p>	<p>Description of any interest of natural and legal persons involved in the issue/offer that is material to the issue/offer including conflicting interests</p> <p>The relevant Dealers may be paid fees in relation to any issue of Securities under the Programme. Any such Dealer and its affiliates may also 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 the Guarantor and their affiliates in the ordinary course of business.</p> <p>Other than as mentioned above, and save for any fees that may have been paid or may be payable to the Dealer to an intermediary, so far as the Issuer is aware, no person involved in the issue of the Securities has an interest material to the offer, including conflicting interests.</p>
<p>E.7</p>	<p>Expenses charged to the investor by the Issuer</p> <p>Not Applicable - No expenses will be charged to an investor by the Issuer.</p>