

FINAL TERMS DOCUMENT

4 July 2016

Santander UK plc

Issue of Series 59 Tranche 2 €100,000,000 Fixed Rate Covered Bonds due 18 September 2019 (XS1440977343) to be consolidated, become fungible and form a single Series with the existing Series 59 €1,000,000,000 Fixed Rate Covered Bonds due 18 September 2019 issued 18 September 2014 (XS1111559339)

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

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions set forth in the Prospectus dated 1 June 2016 and the supplemental prospectus dated 30 June 2016 (the **Supplemental Prospectus**) which together constitute a base prospectus for the purposes of the Prospectus Directive (2003/71/EC) (as amended, which includes amendments made by Directive 2010/73/EU to the effect that such amendments have been implemented in a relevant Member State) (the **Prospectus Directive**). This document constitutes the final terms of the Covered Bonds described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Prospectus, as so supplemented. Full information on the Issuer and the LLP and the offer of the Covered Bonds is only available on the basis of the combination of this Final Terms Document and the Prospectus, as so supplemented. Copies of the Prospectus and the Supplemental Prospectus are available free of charge to the public at the registered office of the Issuer and from the specified office of each of the Paying Agents.

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| 1. | (a) | Issuer: | Santander UK plc |
| | (b) | Guarantor: | Abbey Covered Bonds LLP |
| 2. | (a) | Series Number: | 59 |
| | (b) | Tranche Number: | 2 |
| | (c) | Series which Covered Bonds will be consolidated and form a single Series with: | Existing Series 59 €1,000,000,000 Fixed Rate Covered Bonds due 18 September 2019 issued 18 September 2014 (XS1111559339) |
| | (d) | Date on which the Covered Bonds will be consolidated and form a single Series with the Series specified above: | On or around 14 August 2016 |
| 3. | | Specified Currency or Currencies: | Euro (EUR or €) |

4. Money Market Covered Bonds: No
5. Do the Covered Bonds have the benefit of remarketing arrangements: No
6. Aggregate Nominal Amount of Covered Bonds admitted to trading:
 - (a) Series: €1,100,000,000
 - (b) Tranche: €100,000,000
7. Issue Price: 101.415 per cent. of the aggregate nominal amount of the tranche plus an amount of €298,155.74 in respect of interest accrued from (and including) the Interest Commencement Date to (but excluding) the Issue Date
8.
 - (a) Specified Denominations: €100,000 and integral multiples of €1,000 in excess thereof up to and including €199,000. No Covered Bonds in definitive form will be issued with a denomination above €199,000
 - (b) Calculation Amount: €1,000
9.
 - (a) Issue Date: 5 July 2016
 - (b) Interest Commencement Date: 18 September 2015
10.
 - (a) Final Maturity Date: 18 September 2019
 - (b) Extended Due for Payment Date of Guaranteed Amounts corresponding to the Final Redemption Amount under the Covered Bond Guarantee: 18 September 2020
11. Interest Basis: 0.375 per cent. Fixed Rate
(Further particulars specified at 17. below)
12. Redemption/Payment Basis: Redemption at par
13. Change of Interest Basis or Redemption/Payment Basis: From and including the Final Maturity Date to but excluding the Extended Due for Payment Date the following Interest provisions apply:

Interest Basis: 1 month EUR EURIBOR +

0.02 per cent. per month Floating Rate

Interest Payment Dates: 18th day of each month from and including the Final Maturity Date to but excluding the Extended Due for Payment Date

Interest Period: The period from and including the Final Maturity Date, or as the case may be an Interest Payment Date, to but excluding the next following Interest Payment Date

Following Business Day Convention

Business Days: London, a day on which TARGET2 System is open

Day Count Fraction: Actual/360 (adjusted)

Interest Determination Dates: A day on which the TARGET2 system is open

Screen Rate Determination Relevant Screen Page: Reuters EURIBOR01

14. Put/Call Options: Not Applicable

15. (a) Status of the Covered Bonds: Senior

(b) Status of the Guarantees: Senior

16. Method of distribution: Non-Syndicated

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

17. Fixed Rate Covered Bond Provisions: Applicable

(a) Rate(s) of Interest: 0.375 per cent. per annum payable annually

(b) Interest Payment Date(s): 18 September in each year up to and including the Final Maturity Date (short first payment)

(c) Business Day Convention: Following Business Day Convention

(d) Business Day(s): London

Additional Business Centre(s): A day on which TARGET2 System is open

(e) Fixed Coupon Amount(s): €3.75 per Calculation Amount

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|-----|---------------------------|-------------------------------------|
| (f) | Initial Broken Amount(s): | Not Applicable |
| (g) | Final Broken Amount(s): | Not Applicable |
| (h) | Day Count Fraction: | Actual/Actual (ICMA) (not adjusted) |
| (i) | Determination Date(s): | 18 September in each year |
18. Floating Rate Covered Bond Provisions: Not Applicable

PROVISIONS RELATING TO REDEMPTION

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|-----|---|--------------------------------|
| 19. | Issuer Call: | Not Applicable |
| 20. | Investor Put: | Not Applicable |
| 21. | Final Redemption Amount of each Covered Bond: | €1,000 per Calculation Amount |
| 22. | Early Redemption Amount of each Covered Bond payable on redemption for taxation reasons or on event of default, etc. and/or the method of calculating the same (if required): | As set out in Condition 6.8(a) |

GENERAL PROVISIONS APPLICABLE TO THE COVERED BONDS

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|-----|---|---|
| 23. | Form of Covered Bonds: | Bearer Covered Bonds:

Temporary Global Covered Bond exchangeable for a Permanent Global Covered Bond which is exchangeable for Bearer Definitive Covered Bonds only upon an Exchange Event |
| 24. | New Global Covered Bond: | Yes |
| 25. | Financial Centre(s): | Not Applicable |
| 26. | Talons for future Coupons or Receipts to be attached to Bearer Definitive Covered Bonds (and dates on which such Talons mature): | No |
| 27. | Details relating to Partly Paid Covered Bonds: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences of failure to pay, including any right of the Issuer to forfeit the Covered Bonds and interest | Not Applicable |

due on late payment:

28. Details relating to Instalment Covered Bonds:
- (a) Instalment Amount(s): Not Applicable
- (b) Instalment Date(s): Not Applicable
29. Redenomination renominatisation and reconventioning provisions: Not Applicable
30. Post-perfection SVR-LIBOR Margin: 2.95 per cent.

DISTRIBUTION

31. U.S. Selling Restrictions: Reg. S Compliance Category 2 TEFRA C applicable

PURPOSE OF FINAL TERMS DOCUMENT

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

PART B – OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING:

- (a) Listing and admission to trading: Application has been made by the Issuer (or on its behalf) for the Covered Bonds to be admitted to trading on the London Stock Exchange's Regulated Market with effect from the Issue Date
- (b) Estimate of total expenses related to admission to trading: £3,600

2. RATINGS:

Ratings: The Covered Bonds to be issued have been rated:

S & P: AAA

Moody's: Aaa

Fitch: AAA

3. COVERED BOND SWAP:

Covered Bond Swap Provider: Abbey National Treasury Services Plc

Nature of Covered Bond Swap: Non-Forward Starting

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

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

5. YIELD:

Indication of yield: -0.066 per cent. calculated on an annual basis

The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

6. **TRADEABLE AMOUNTS:**

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

7. **OPERATIONAL INFORMATION:**

(a) ISIN Code: XS1440977343 (to be consolidated and form a single Series with ISIN Code:XS1111559339)

(b) Common Code: 144097734 (to be consolidated and form a single Series with Common Code: 111155933)

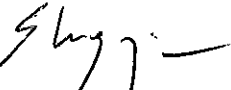
(c) Delivery: Delivery against payment

Name and address of Initial Paying Agent(s): Deutsche Bank AG, London Branch
Winchester House
1 Great Winchester Street
London EC2N 2DB

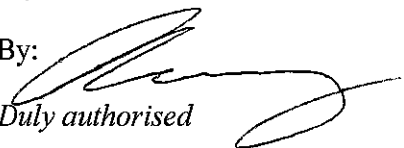
Names and addresses of additional Paying Agent(s) (if any): Not Applicable

Intended to be held in a manner which would allow Eurosystem eligibility: Yes

Signed on behalf of the Issuer:

By: 
Duly authorised

Signed on behalf of the LLP:

By: 
Duly authorised