

15 December 2010

Nationwide Building Society
EUR 40,000,000 4.775 per cent. Notes due 17 December 2022
issued pursuant to its U.S.\$25,000,000,000 European Note Programme

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated 28 September 2010 which constitutes a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the **Prospectus Directive**). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Base Prospectus. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus is available for viewing during normal office hours at, and copies may be obtained from, the principal office of the Issuer at Nationwide House, Pipers Way, Swindon SN38 1NW and the specified offices of each of the Paying Agents.

TYPE OF NOTE

- | | | |
|----|---|----------------|
| 1. | Deposit/Ordinary/Subordinated: | Ordinary |
| 2. | Interest/Payment Basis: | Fixed Rate |
| 3. | If Instalment Note, insert Instalment Amount(s)/Instalment Date(s): | Not Applicable |
| 4. | If Partly Paid Notes, insert amount of each instalment (expressed as a percentage of the nominal amount of each Note)/due dates for any subsequent instalment/consequences of failure to pay/rate of interest: | Not Applicable |
| 5. | If Dual Currency Notes, insert the Rate(s) of Exchange/fallback provisions/person at whose option Specified Currency is to be payable/details of party (if any) responsible for calculating the principal and/or interest due (if not the Agent): | Not Applicable |

DESCRIPTION OF THE NOTES

- | | | |
|----|---|---|
| 6. | New Global Note: | Yes |
| 7. | Form of Notes: | Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes only upon an Exchange Event |
| 8. | (a) Talons for future Coupons to be attached to Definitive Notes: | No |

- (b) Date(s) on which the Talons mature: Not Applicable
9. (a) Series Number: 424
- (b) Tranche Number: 1
- (c) Details (including the date on which the Notes become fully fungible) if forming part of an existing Series: Not Applicable
10. (a) Nominal Amount of Notes to be issued: EUR 40,000,000
- (b) Aggregate nominal amount of Series (if more than one issue for the Series): EUR 40,000,000
- (c) Specified Currency (or Currencies in the case of Dual Currency Notes): Euro ("EUR")
- (d) Specified Denomination(s): 50,000 and integral multiples of 1,000 in excess thereof up to and including 99,000. No Notes in definitive form will be issued with a denomination above 99,000
- (e) Calculation Amount: EUR 50,000
- (f) Tradeable Amount: Not Applicable
11. Issue Price: 100 per cent.
12. Issue Date: 17 December 2010
13. Interest Commencement Date: Issue Date

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE GENERALLY

14. Automatic/optional conversion from one Interest/Payment Basis to another: Not Applicable

FIXED RATE NOTES

- Applicable
15. (a) Fixed Rate(s) of Interest: 4.775 per cent. per annum payable annually in arrear (Further particulars specified below).
- (b) Fixed Interest Date(s): Annually every 17 December commencing on and including 17 December 2011 up to and including the Maturity Date.
- (c) Initial Broken Amount per denomination: Not Applicable
- (d) Fixed Coupon Amount(s) (*Applicable to Notes in definitive form*): EUR 2,387.5 per Calculation Amount

- | | | |
|-----|--|-----------------|
| (e) | Broken Amount(s) (<i>Applicable to Notes in definitive form</i>): | Not Applicable |
| (f) | Final Broken Amount per denomination: | Not Applicable |
| (g) | Day Count Fraction: | 30/360 Annually |
| (h) | Determination Date(s): | Not Applicable |
| (i) | Other terms relating to the method of calculating interest for Fixed Rate Notes: | Not Applicable |

ZERO COUPON NOTES Not Applicable

FLOATING RATE NOTES OR INDEXED INTEREST NOTES Not Applicable

FLOATING RATE NOTES Not Applicable

INDEXED INTEREST NOTES Not Applicable

PROVISIONS REGARDING PAYMENTS

- | | | |
|-----|---|----------------------|
| 16. | Definition of Payment Day for the purpose of the Conditions if different to that set out in Condition 7.3: | As per Condition 7.3 |
|-----|---|----------------------|

PROVISIONS REGARDING REDEMPTION/MATURITY

- | | | |
|-----|--|-----------------------------|
| 17. | Maturity Date: | 17 December 2022 |
| 18. | (a) Redemption at Issuer's option: | No |
| | (b) Redemption at Noteholder's option: | No |
| 19. | Final Redemption Amount for each Note, including the method, if any, of calculating the same: | 100% per Calculation Amount |
| 20. | Early Redemption Amount payable on redemption for taxation reasons or on an Event of Default and/or the method, if any, of calculating the same, if other than as set out in Condition 6.6(a): | As per Condition 6.6(a) |

GENERAL PROVISIONS APPLICABLE TO THIS ISSUE OF NOTES

- | | | |
|-----|----------------------------------|----------------|
| 21. | Other final terms: | Not Applicable |
| 22. | Additional selling restrictions: | Not Applicable |

- | | | |
|-----|---|--|
| 23. | Method of distribution: | Non – Syndicated Banco Santander, S.A. Ciudad Grupo Santander Avenida de Cantabria s/n Edificio Encinar planta baja 28660 Boadilla del Monte, Madrid Spain |
| 24. | Stabilising Manager: | Not Applicable |
| 25. | Common Safekeeper: | Clearstream Banking, <i>société anonyme</i> |
| 26. | U.S. Selling Restrictions: | Reg S Compliance Category 2: TEFRA D |
| 27. | Redenomination and Exchange provisions: | Not Applicable |


PURPOSE OF FINAL TERMS

These Final Terms comprise the final terms required for issue and admission to trading on the London Stock Exchange's Regulated Market and listing on the Official List of the UK Listing Authority of the Notes described herein pursuant to the U.S.\$25,000,000,000 European Note Programme of Nationwide Building Society.

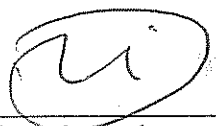
RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms.

Signed on behalf of **NATIONWIDE BUILDING SOCIETY**

By: 

Duly Authorised
CHRIS KILOH-MUNNS
TREASURY SETTLEMENTS MANAGER
NATIONWIDE BUILDING SOCIETY

By: 

Duly Authorised
 For and on behalf of
Nationwide Building Society

Daniel Hill
Assistant Manager Treasury Administration

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 Notes to be admitted to trading on the London Stock Exchange's Regulated Market and for listing on the Official List of the UK Listing Authority with effect from 17th December 2010.
- (b) Estimate of total expenses related to admission to trading: £3,500

2. RATINGS

- Ratings: The Notes will be rated:
- | | |
|----------|------------------------|
| Moody's: | Aa3 (stable outlook) |
| S&P: | A+ (negative outlook) |
| Fitch: | AA- (negative outlook) |

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

Save for any fees payable to the Managers, so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer.

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

Not Applicable

5. YIELD (*Fixed Rate Notes only*)

- Indication of yield: 4.775 per cent. per annum
- The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

6. PERFORMANCE OF INDEX/FORMULA, EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS AND OTHER INFORMATION CONCERNING THE UNDERLYING (*Index-Linked Notes only*)

Not Applicable

7. PERFORMANCE OF RATE[S] OF EXCHANGE AND EXPLANATION OF EFFECT ON VALUE OF INVESTMENT (*Dual Currency Notes only*)

Not Applicable

8. OPERATIONAL INFORMATION

- (a) ISIN Code: XS0564643525

- (b) Common Code: 056464352
- (c) Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking, société anonyme and the relevant identification number(s): Not Applicable
- (d) Delivery: Delivery against payment
- (e) Names and addresses of initial Paying Agent(s) (if any): Citibank, N.A., London Office
21st Floor
Citigroup Centre
Canada Square
Canary Wharf
London E14 5LB
- (f) Names and addresses of additional Paying Agent(s) (if any): Not Applicable
- (g) Intended to be held in a manner which would allow Eurosystem eligibility: Yes
Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the International Central Securities Depositories (ICSDs) as common safekeeper and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intraday credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the European Central Bank being satisfied that the Eurosystem eligibility criteria have been met.

For the purpose of calculating the U.S. Dollar equivalent of the nominal amount of Notes outstanding under the Programme from time to time, the U.S. Dollar equivalent of Notes denominated in another Specified Currency (as specified in the relevant Final Terms) shall be determined, at the discretion of the Issuer, either as of the date of agreement to issue such Notes (the **Agreement Date**) or on the preceding day on which commercial banks and foreign exchange markets are open for business in London, in each case on the basis of the spot rate for the sale of U.S. Dollars against the purchase of such Specified Currency in the London foreign exchange market quoted by any leading bank selected by the Issuer on the relevant date of calculation.

DEALER ACCESSION LETTER – NOTE ISSUE

To: Nationwide Building Society
Nationwide House
Pipers Way
Swindon
SN38 1NW

(the Issuer)

Attention: Treasury

15 December 2010

Dear Sirs,

Nationwide Building Society
EUR 40,000,000 Notes due 17 December 2022
pursuant to U.S.\$ 25,000,000,000 European Note Programme

We refer to the Programme Agreement (amended and restated) dated 11 November 2008 entered into in respect of the above Programme (the **Programme**), and made between the Issuer and the Dealers party thereto (which agreement, as amended from time to time, is herein referred to as the **Programme Agreement**).

Conditions Precedent

We confirm that we are in receipt of the documents referenced below:

- (a) a copy of the Programme Agreement; and
- (b) a copy of all documents referred to in Appendix 1 of the Programme Agreement,

and have found them to be satisfactory or (in the case of the documents referred to in (b) above) have waived such production.

For the purposes of the Programme Agreement our details for service of notices are as follows:

Banco Santander, S.A.

*Ciudad Grupo Santander
Avenida de Cantabria s/n
Edificio Encinar, Planta Baja
28660, Boadilla del Monte, Madrid.*

*EMTN Desk
Gonzalo Alvarez Fernandez*

Tel.: +34 912 572 174



Santander

GLOBAL BANKING & MARKETS

In consideration of the Issuer appointing us as a Dealer on 15 December 2010 in respect of the issue of EUR 40,000,000 Notes due 17 December 2022 (the **Issue**) under the Programme Agreement, we hereby undertake as of 24 November 2010, for the benefit of the Issuer and each of the other Dealers, that in relation to the Issue we will perform and comply with all the duties and obligations expressed to be assumed by a Dealer under the Programme Agreement.

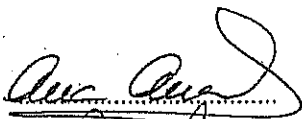
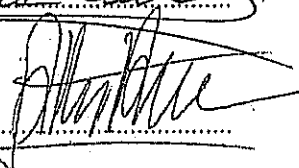
This letter and any non-contractual obligations arising out of or in connection with it are governed by, and shall be construed in accordance with, English law.

Please confirm your acceptance of the terms of this letter by countersigning it below and returning an original to us.

Yours faithfully,

Banco Santander, S.A.

We confirm the terms of the above letter.

By: 
By: 
Date:

Nationwide Building Society

*For and on behalf of
Nationwide Building Society*

By: 
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*Daniel Hill
Assistant Manager Treasury Administration*

Date: **CHRIS KILON-MUNNS**
TREASURY SETTLEMENTS MANAGER
NATIONWIDE BUILDING SOCIETY

c.c. Citibank, N.A., London Office (Agent)
The Law Debenture Trust Corporation p.l.c. (Trustee)

