

## FINAL TERMS

28 February 2011

### Nationwide Building Society

**Issue of €30,000,000 4.74 per cent. Series 2011-4 Covered Bonds  
irrevocably and unconditionally guaranteed as to payment of principal and interest by  
Nationwide Covered Bonds LLP  
under the €45 billion Global Covered Bond Programme**

The Programme has been registered, and notice of these Covered Bonds will be made, under the Regulated Covered Bonds Regulations 2008 (SI 2008/346).

### PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the terms and conditions of the Covered Bonds (the **Conditions**) set forth in the Base Prospectus dated 1 July 2010 as supplemented on 7 January 2011 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 Covered Bonds described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Base Prospectus. Full information on the Issuer, the LLP and the offer of the Covered Bonds 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 business hours at the registered office of the Issuer and copies may be obtained from the London office of the Agent.

The issuance of the Covered Bonds is being made directly to Nationwide Building Society as the initial purchaser of the Covered Bonds.

1.	(a)	Issuer:	Nationwide Building Society
	(b)	Guarantor:	Nationwide Covered Bonds LLP
2.	(a)	Series Number:	2011-4
	(b)	Tranche Number:	1
3.		Specified Currency or Currencies:	Euro
4.		Aggregate Nominal Amount of Covered Bonds:	
	(a)	Series:	€30,000,000
5.		Issue Price:	100% of the Aggregate Nominal Amount
6.	(a)	Specified Denominations:	€100,000 and integral multiples of €1,000 in excess thereof
	(b)	Calculation Amount: <i>(Applicable to Covered Bonds in definitive form)</i>	€1,000

7.	(a) Issue Date:	1 March 2011
	(b) Interest Commencement Date:	1 March 2011
8.	(a) Final Maturity Date:	3 March 2031
	(b) Extended Due for Payment Date of Guaranteed Amounts corresponding to the Final Redemption Amount under the Covered Bond Guarantee:	3 March 2032
9.	Interest Basis:	4.74 per cent. per annum Fixed Rate (further particulars specified below)
10.	Redemption/Payment Basis:	Redemption at par
11.	Change of Interest Basis or Redemption/Payment Basis:	Applicable from and including the Final Maturity Date to but excluding the Extended Due for Payment Date.  1 Month EURIBOR plus 1.045 per cent. per annum Floating Rate payable monthly in arrear from and including the Final Maturity Date to but excluding the Extended Due for Payment Date.
12.	Call Options:	Not applicable
13.	(a) Status of the Covered Bonds:	Senior
	(b) Status of the Guarantee:	Senior
	(c) Date Board approval for issuance of Covered Bonds obtained:	19 October 2005
14.	Method of distribution:	Non-syndicated

#### **PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

15.	Fixed Rate Covered Bond Provisions	Applicable from and including the Interest Commencement Date, to but excluding the Final Maturity Date
	(a) Fixed Rate(s) of Interest	4.74 per cent. per annum payable annually in arrear
	(b) Interest Payment Date(s):	3 March in each year from and including 3 March 2012 until (and including) the Final

		Maturity Date
(c)	Fixed Coupon Amount(s):	€47.40 per Calculation Amount per annum
(d)	Broken Amount(s):	€47.66 (For the avoidance of doubt, a first coupon will be paid for the first interest period from and including the Issue Date to but excluding 3 March 2012)
(e)	Day Count Fraction:	Actual/Actual (ICMA)
(f)	Determination Date:	3 March in each year
(g)	Other terms relating to the method of calculating interest for Fixed Rate Covered Bonds:	Following Business Day Convention, unadjusted
16.	Floating Rate Covered Bond Provisions	Applicable from and including the Final Maturity Date to, but excluding the Extended Due for Payment Date
(a)	Interest Period(s)	From and including the Final Maturity Date to but excluding the Specified Interest Payment Date falling in April 2031 and thereafter from and including each Specified Interest Payment Date to but excluding the following Specified Interest Payment Date.
(b)	Specified Interest Payment Date(s):	The 3rd day of each month from and including 3 April 2031 to and including the Extended Due For Payment Date.
(c)	First Interest Payment Date	3 April 2031
(d)	Business Day Convention:	Modified Following Business Day Convention, adjusted
(e)	Business Centre(s):	London and TARGET2
(f)	Manner in which the Rate(s) of Interest is/are to be determined:	Screen Rate Determination
(g)	Party responsible for calculating the Rate(s) of Interest and/or Interest Amount (if not the Agent):	Not Applicable
(h)	Screen Rate Determination:	Applicable
	– Reference Rate:	1 Month EURIBOR
	– Interest Determination Date(s):	Second TARGET2 Day prior to the start of each Interest Period
	– Relevant Screen Page:	Reuters page EURIBOR01

(i)	ISDA Determination:	Not Applicable
(j)	Margin(s):	+ 1.045 per cent. per annum.
(k)	Minimum Rate of Interest:	Not Applicable
(l)	Maximum Rate of Interest:	Not Applicable
(m)	Day Count Fraction:	Actual/360
(n)	Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Covered Bonds, if different from those set out in these Conditions:	Not Applicable
17.	Zero Coupon Covered Bond Provisions	Not Applicable
18.	Index Linked Interest Covered Bond/other variable-linked interest Covered Bond Provisions	Not Applicable
19.	Dual Currency Covered Bond Provisions:	Not Applicable

#### **PROVISIONS RELATING TO REDEMPTION BY THE ISSUER**

20.	Call Option:	Not Applicable
21.	Put Option:	Not Applicable
22.	Final Redemption Amount of each Covered Bond:	100 per cent.
23.	Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons, on acceleration following an Issuer Event of Default or an LLP Event of Default and/or the method of calculating the same (if required or if different from that set out in Condition 6.5):	Not Applicable

#### **GENERAL PROVISIONS APPLICABLE TO THE COVERED BONDS**

24.	Form of Covered Bonds:	Bearer Covered Bonds:  Temporary Global Covered Bond exchangeable for a Permanent Global Covered Bond which is exchangeable for Bearer Definitive Covered Bonds in definitive form only after an Exchange Event
25.	New Global Covered Bond:	Yes

26.	Financial Centre(s) or other special provisions relating to payment dates:	London
27.	Talons for future Coupons or Receipts to be attached to Bearer Definitive Covered Bonds (and dates on which such Talons mature):	No
28.	Details relating to Partly Paid Covered Bonds: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Covered Bonds and interest due on late payment:	Not Applicable
29.	Details relating to Instalment Covered Bonds:	
	(a) Instalment Amount(s):	Not Applicable
	(b) Instalment Date(s):	Not Applicable
30.	Redenomination, renominalisation and reconventioning provisions:	Not Applicable
31.	Other final terms:	Not Applicable
32.	Additional U.S. Federal Income Tax Considerations:	Not Applicable

## **DISTRIBUTION**

33.	(a) If syndicated, names of Managers:	Not Applicable
	(b) Date of Subscription Agreement:	28 February 2011
	(c) Stabilising Manager (if any):	Not Applicable
34.	If non-syndicated, name and address of Dealer:	Commerzbank AG Kaiserstraße 16 (Kaiserplatz) 60311 Frankfurt am Main Germany
35.	U.S. Selling Restrictions:	Reg. S Category 2
36.	Total commission and concession	Not Applicable
37.	Non-exempt Offer:	Not Applicable
38.	Additional selling restrictions:	Not Applicable
	Additional United States Tax Considerations:	TEFRA D

## **PURPOSE OF FINAL TERMS**

These Final Terms comprise the final terms required for issue and admission to trading on the London Stock Exchange of the Covered Bonds described herein pursuant to the €45 billion Global Covered Bond Programme of Nationwide Building Society.

## **RESPONSIBILITY**

The Issuer and the LLP accept responsibility for the information contained in these Final Terms.

## PART B – OTHER INFORMATION

### 1. LISTING

(a) Listing: London

(b) Admission to trading: Application has been made for the Covered Bonds to be admitted to trading on 1 March 2011.

(c) Estimate of total expenses related to admission to trading: £3,650

### 2. RATINGS

(a) The Covered Bonds to be issued have been rated: S&P: AAA  
Moody's: Aaa  
Fitch: AAA

Standard & Poor's Credit Market Services Europe Limited, Fitch Rating Ltd. and Moody's Investors Service Limited are established in the European Union and have applied for registration under Regulation (EC) No. 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies although notification of the corresponding registration decision has not yet been provided by the relevant competent authority.

In general, European regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the European Union and registered under Regulation (EC) No 1060/2009 (the **CRA Regulation**) unless the rating is provided by a credit rating agency operating in the European Union before 7 June 2010 which has submitted an application for registration in accordance with the CRA Regulation and such registration is not refused.

### 3. 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 issue of the Covered Bonds has an interest material to the offer.

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

(a) Reasons for the offer: The gross proceeds from each issue of Covered Bonds will be used by the Issuer to make available Term Advances to the LLP pursuant to the terms of the Intercompany Loan Agreement.

<b>5. YIELD</b>	Not applicable
Indication of yield:	4.74 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.
<b>6. POST-ISSUANCE PERFORMANCE OF INDEX/FORMULA/OTHER VARIABLE AND OTHER INFORMATION CONCERNING THE UNDERLYING</b>	
	The Issuer intends to provide post-issuance information on its website at: <a href="http://www.nationwide.co.uk/investorrelations">www.nationwide.co.uk/investorrelations</a>
<b>7. PERFORMANCE OF RATE[S] OF EXCHANGE</b>	
	Not Applicable
<b>8. OPERATIONAL INFORMATION</b>	
(a) Bearer Global Covered Bonds intended to be held in a manner which would allow Eurosystem eligibility:	Yes  Note that the designation "yes" simply means the Bearer Global Covered Bonds are intended upon issue to be deposited with Euroclear or Clearstream, Luxembourg as Common Safekeeper and does not necessarily mean that the bearer Global Covered Bonds will be recognised as eligible collateral for eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.
(b) ISIN Code:	XS0592707615
(c) Common Code:	059270761
(d) CUSIP:	Not Applicable
(e) Delivery:	Delivery against payment
(f) Names and addresses of initial Paying Agents:	Citibank, N.A., London Branch, acting through its offices at: Citigroup Centre Canada Square Canary Wharf London E14 5LB
(g) Names and addresses of additional Paying Agent(s) (if any):	Not applicable

Signed on behalf of the Issuer:

Signed on behalf of the LLP:

By:                     
Duly authorised