



BARCLAYS BANK PLC

(Incorporated with limited liability in England and Wales)

Barclays Capital Equity Index Linked Securities Programme

This Supplementary Prospectus dated 4 May 2012 (the "**Supplementary Prospectus**") is supplemental to and must be read in conjunction with the Base Prospectus relating to the Barclays Capital Equity Index Linked Securities Programme dated 7 December 2011 (the "**Base Prospectus**"). The Base Prospectus was prepared by the Bank (in its capacity as the Issuer).

This Supplementary Prospectus constitutes a supplementary prospectus in respect of the Base Prospectus for the purposes of the Prospectus Directive and for the purpose of Section 87G of the FSMA.

Investors should be aware of their rights under Section 87Q(4) of the FSMA.

Terms defined in the Base Prospectus shall, unless the context otherwise requires, have the same meaning when used in this Supplementary Prospectus. To the extent that there is any inconsistency between (a) any statement in this Supplementary Prospectus and (b) any other statement in, or incorporated by reference in the Base Prospectus, the statements in (a) above shall prevail.

The Issuer accepts responsibility for the information contained in this Supplementary Prospectus and declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Supplementary Prospectus is, to the best of their knowledge, in accordance with the facts and contains no omission likely to affect its import. Save as disclosed in this Supplementary Prospectus, no significant new factor, material mistake or inaccuracy relating to the information included in the Base Prospectus which is capable of affecting the assessment of the offer of the Securities has arisen or been noted, as the case may be, since the publication of the Base Prospectus.

This Supplementary Prospectus has been approved by the FSA, which is the United Kingdom competent authority for the purposes of the Prospectus Directive and the relevant implementing measures in the United Kingdom, as a supplementary prospectus issued in compliance with the Prospectus Directive and the relevant implementing measures in the United Kingdom for the purpose of giving information with regard to the issue of securities.

The purpose of this Supplementary Prospectus is to:

- (i) update the ratings information relating to the expected ratings by Fitch Ratings Limited ("**Fitch**") of securities issued by the Bank in the Base Prospectus;
- (ii) incorporate by reference into the Base Prospectus the 2011 Bank Annual Report (defined below);
- (iii) incorporate by reference into the Base Prospectus the Joint Annual Report (defined below), with the exception of the information incorporated by reference in the Joint Annual Report referred to in the Exhibit Index of the Joint Annual Report, which shall not be deemed to be incorporated in the Base Prospectus;
- (iv) incorporate by reference into the Base Prospectus the unaudited Interim Management Statement of Barclays PLC as filed with the SEC on Form 6-K on Film Number 12784750 on 26 April 2012 in respect of the three months ended 31 March 2012;

- (v) disclose certain significant new factors relating to the Bank and the Group being:
 - a. financial information relating to the Bank;
 - b. information relating to the number of employees employed by the Group;
 - c. developments in litigation that the Bank and the Group is involved in; and
 - d. developments relating to Payment Protection Insurance claims against the Bank; and
 - e. information relating to the Directors of the Bank;
- (vi) update certain information relating to proposals for UK banking reform which is incorporated by reference in the Base Prospectus via the Registration Document dated 4 November 2011 (the “**Registration Document**”) and update the risk factor relating thereto;
- (vii) add a new summary risk factor in the Base Prospectus in connection with sub-paragraph (iv) above;
- (viii) update the disclosure relating to the disposal of private equity fund interests to AXA Private Equity;
- (ix) add a new risk factor in the Base Prospectus in connection with Payment Protection Insurance; and
- (x) update the significant and material adverse change statements as a result of the publication of the 2011 Bank Annual Report (as defined below).

1. Credit ratings

Following announcement by Fitch on the revision of the Bank’s ratings, Fitch’s expected ratings of short term unsecured obligations of the Bank and long term obligations of the Bank in the section titled “Ratings” on page 2 of the Base Prospectus are F1 and A respectively.

2. Incorporation of Information by Reference into the Base Prospectus

The following documents, which have been previously filed with the FSA, shall, by virtue of this Supplementary Prospectus, be incorporated by reference into the Base Prospectus:

- (a) Annual Report of the Bank containing the audited consolidated financial statements of the Bank in respect of the year ended 31 December 2011 (the “**2011 Bank Annual Report**”);
- (b) the joint Annual Report of the Bank and Barclays PLC, as filed with the U.S. Securities and Exchange Commission (the “**SEC**”) on Form 20-F in respect of the years ended 31 December 2010 and 31 December 2011 (the “**Joint Annual Report**”), with the exception of the information incorporated by reference in the Joint Annual Report referred to in the Exhibit Index of the Joint Annual Report, which shall not be deemed to be incorporated in the Base Prospectus; and
- (c) the unaudited Interim Management Statement of Barclays PLC as filed with the SEC on Form 6-K on Film Number 12784750 on 26 April 2012 in respect of the three months ended 31 March 2012.

3. Financial Information provided in the 2011 Bank Annual Report

Set out below is a summary of key financial information in respect of the Bank and the Group as at 31 December 2011:

	31 December 2011 (million)
Total assets	£1,563,402
Total net loans and advances ¹	£478,726
Total deposits ²	£457,161
Total shareholders' equity ³	£65,170
Profit before tax from continuing operations of the Group ⁴	£5,974

4. Employees and Directors

(i) Employees

As at 31 December 2011, the total number of persons employed by the Group (full time equivalents) was 141,100.

(ii) Directors

(a) Simon Fraser is now Non-Executive Director at Ashmore Group PLC".

(b) Sir Michael Rake and Sir John Sunderland are no longer Directors at the Financial Reporting Council.

(c) Alison Carnwath is now an Independent Director at Paccar Inc, a Non-Executive Chairman at ISIS EP LLP and a Non-Executive Director at Zurich Insurance Group Limited; and

(d) Fulvio Conti is now an Independent Director of RCS MediaGroup S.p.A.

5. Disposals

The disposal of private equity fund interests to AXA Private Equity referred to in the section headed "The Bank and the Group – Acquisitions, Disposals and Recent Developments" in the Registration Document was completed on 30 September 2011.

¹ Total net loans and advances include balances relating to both bank and customer accounts.

² Total deposits include deposits from bank and customer accounts.

³ Total shareholders' equity includes non-controlling interests of £3,092 million (£2,774 million for the year ended 31 December 2009 and £3,467 million for the year ended 31 December 2010).

⁴ Profit before tax is after impairment charges and other credit provisions of £3,802 (£8,071 million for the year ended 31 December 2009 and £5,672 million for the year ended 31 December 2010)

6. Proposed UK Banking Reform

In the section titled “Competition and Regulatory Matters - Regulatory change” on page 13 of the Registration Document under the section headed “The Bank and the Group”, the following significant new factor has occurred in respect of the ICB proposals:

The UK Government published its response to the ICB proposals in December 2011 and indicated that primary and secondary legislation relating to the proposed ring-fence will be completed by May 2015, with UK banks and building societies expected to be compliant as soon as practicable thereafter, and the requirements relating to increased loss-absorbing capacity of ring-fenced banks and UK-headquartered global systemically important banks will be applicable from 1 January 2019.

7. Change to the Summary Risk Factors contained in the Base Prospectus

In connection with the UK Government’s response to the ICB proposals, the following new risk factor is incorporated in the “Summary” section in the Base Prospectus:

UK Government plans to restructure UK banks and increase the amount of loss-absorbing capital required to be issued by UK banks may, if implemented, have a material impact on the Group’s results and financial condition.

8. Payment Protection Insurance

On 26 April 2012, following an increase in Payment Protection Insurance complaint volumes, the Bank announced that it had increased the provision by a further £300 million.

9. Change to Risk Factors contained in the Base Prospectus

In connection with the developments relating to Payment Protection Insurance described in section 8 above, the Issuer considers the following to be one of the risks that could have a material adverse effect on the Issuer’s businesses, operations, financial condition or prospects, which, in turn, could have a material adverse effect on the return which investors will receive in respect of the Securities:

Payment Protection Insurance risk

During 2011, the Bank agreed with the FSA that it would process all on-hold and any new complaints from customers about payment protection insurance (“PPI”) policies. The Bank also announced that, as a goodwill gesture, it would pay out compensation to customers who had PPI complaints put on hold during the judicial review. A provision of £1 billion was recognised in the second quarter of 2011 to cover the cost of future redress and administration. As at 31 December 2011, following payments made during 2011, the provision was £565 million, and (at that date) represented management’s best estimate of the remaining anticipated costs of related customer redress, including administration expenses.

There are a number of assumptions which underpin the provision, including assumptions as to (i) the volume and number of claims; (ii) the percentage of claims that are upheld as being valid upon review; and (iii) the expected average payment to customers for upheld claims, which are subjective and liable to change. Consequently, there could be a change in the provision in the event that there is a significant change in the volume and number of customer claims, uphold rates or average payment. Any increase in the level of the

provision may have a material adverse effect on the Group's results of operations, financial condition and prospects.

10. Litigation

(i) *Lehman*

As at 31 December 2011 Barclays Capital Inc.'s ("BCI") potential exposure relating to the litigation between Lehman Brothers Holdings Inc. and BCI (this litigation relates to the transaction pursuant to which BCI and other companies in the Group acquired most of the assets of Lehman Brothers Inc. ("LBI") (the "Acquisition")) (with corresponding figures as at 30 June 2011) is the following:

	As at 30 June 2011 (billion)	As at 31 December 2011 (billion)
Assets acquired as part of the Acquisition which have not yet been received by BCI	£2.6	£2.7 (U.S.\$4.2)
Amount of the assets acquired pursuant to the Acquisition recognised included in the balance sheet	£1.9	£2.0 (U.S.\$3.0)
Extent of the provision against the uncertainty inherent in the litigation (the "Provision")	£0.7	£0.8 (U.S.\$1.2)
Loss relating to the Contract Claims (as defined in the Registration Document) (taking into account the Provision) ⁵	£2.7	£2.8 (U.S.\$4.3)

(ii) *U.S. Federal Housing Finance Agency and other residential mortgage-backed securities litigation (the "RMBS Litigation")*

In relation to the RMBS Litigation, the original amount of residential mortgage-backed securities ("RMBS") related to the claims against the Bank totalled approximately U.S.\$6.8 billion, of which approximately U.S.\$2.0 billion was outstanding as at 31 December 2011. Cumulative losses reported on these RMBS as at 31 December 2011 were approximately U.S.\$0.1 billion. If the Bank were to lose these cases it could incur a loss of up to the outstanding amount of the RMBS as at the time of judgement (taking into account further principal payments after 31 December 2011), plus any cumulative losses on the RMBS at such time and any interest, fees and costs, less the market value of the RMBS at such time. The Bank has estimated the total market value of the RMBS as at 31 December 2011 to be approximately U.S.\$1.1 billion. The Bank may be entitled to indemnification for a portion of any losses.

⁵ Assuming that the final orders which have been delivered on the Contract Claims are unaffected by future proceedings.

Litigation Statement

Save as disclosed in paragraphs (i) and (ii) of this section 10 read together with paragraphs (A) and (B) of the section titled "Litigation" on pages 97 to 98 of the Base Prospectus, no member of the Group is or has been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Bank is aware), which may have or have had during the 12 months preceding the date of this Supplementary Prospectus, a significant effect on the financial position or profitability of the Bank and/or the Group.

Significant Change Statement

There has been no significant change in the financial or trading position of the Bank or the Group since 31 December 2011.

Material Adverse Change Statement

There has been no material adverse change in the prospects of the bank or the Group since 31 December 2011.

Barclays

The date of this Supplementary Prospectus is 4 May 2012.