

D. Manuel Mingot Aznar, mayor de edad, con domicilio en calle Velázquez 63, Madrid, en nombre y representación de BARCLAYS BANK PLC, entidad de responsabilidad limitada, con domicilio en 1 Churchill Place, Londres E14 5HP, Reino Unido, inscrita en Inglaterra y País de Gales bajo el número 1026167, en virtud de los poderes otorgados ante el Notario de la ciudad de Londres, D. Iain Alexander Rogers, el 10 de Noviembre de 2009,

CERTIFICA

Que el ejemplar de las Condiciones Finales de emisión de 50.000 bonos estructurados denominados "SP500 Eurostoxx" (Bono Memoria), ISIN XS0458234159, serie GSN19694, emitidos por Barclays Bank PLC en Reino Unido al amparo del folleto base de valores estructurados registrado con la United Kingdom Financial Services Authority (FSA) el 5 de agosto de 2009, pasaportado a España en esa misma fecha, depositado en el Registro de la United Kingdom Financial Services Authority (FSA) coincide exactamente con el contenido del archivo informático adjunto a esta carta.

Asimismo certifica que la Carta Explicativa de dichos bonos estructurados depositada en la Comisión Nacional del Mercado de Valores coincide exactamente con la que se presenta en soporte informático adjunta a esta carta.

Se autoriza a la Comisión Nacional del Mercado de Valores para que publique en su página web el contenido del archivo informático de las Condiciones Finales y la Carta Explicativa.

Y para que conste, expido la presente a los efectos oportunos en Madrid, a 20 de enero de 2010.

D. Manuel Mingot Aznar

Final Terms

BARCLAYS BANK PLC

(Incorporated with limited liability in England and Wales)

GLOBAL STRUCTURED SECURITIES PROGRAMME

for the issue of Securities

BARCLAYS BANK PLC

EUR50,000,000 Index Linked Notes due 5 March 2015 (the "Notes")

Series GSN19694

under the Global Structured Securities Programme

Issue Price: 100% of par

This document constitutes the final terms of the Notes (the "Final Terms") described herein for the purposes of Article 5.4 of the Directive 2003/71/EC and is prepared in connection with the Global Structured Securities Programme established by Barclays Bank PLC (the "Bank") and Barclays Capital (Cayman) Limited ("BCCL") and is supplemental to and should be read in conjunction with the Base Prospectus dated 5 August 2009, passported to Spain on 5 August 2009, as supplemented and amended from time to time, which constitutes a base prospectus (the "Base Prospectus") for the purpose of the Directive 2003/71/EC. Full information on the Issuer and the offer of the Securities 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 the specified office of the Issue and Paying Agent for the time being in London and copies may be obtained from such office. Words and expressions defined in the Base Prospectus and not defined in this document shall bear the same meanings when used herein.

The Issuer accepts responsibility for the information contained in these Final Terms. To the best of its knowledge and belief (having taken all reasonable care to ensure that such is the case) the information contained in these Final Terms is in accordance with the facts and does not contain anything likely to affect the import of such information.

Investors should refer to the sections headed "Risk Factors" in the Base Prospectus for a discussion of certain matters that should be considered when making a decision to invest in the Securities.

Barclays Capital

Final Terms dated 11 January 2010

The distribution of this document and the offer of the Securities in certain jurisdictions may be restricted by law. Persons into whose possession these Final Terms come are required by the Bank to inform themselves about and to observe any such restrictions. Details of selling restrictions for various jurisdictions are set out in "Purchase and Sale" in the Base Prospectus. In particular, the Securities have not been, and will not be, registered under the US Securities Act of 1933, as amended, and are subject to US tax law requirements. Trading in the Securities has not been approved by the US Commodity Futures Trading Commission under the US Commodity Exchange Act of 1936, as amended. Subject to certain exceptions, the Securities may not at any time be offered, sold or delivered in the United States or to US persons, nor may any US persons at any time trade or maintain a position in such Securities.

Index Disclaimer:

DJ Eurostoxx 50 disclaimer:

STOXX and Dow Jones have no relationship to Barclays, other than the licensing of the Dow Jones Eurostoxx 50® index and the related trademarks for use in connection with the notes.

STOXX and Dow Jones do not:

- Sponsor, endorse, sell or promote the notes.
- Recommend that any person invest in the notes or any other securities.
- Have any responsibility or liability for or make any decisions about the timing, amount or pricing of the notes.
- Have any responsibility or liability for the administration, management or marketing of the notes.
- Consider the needs of the notes or the owners of the notes in determining, composing or calculating the Dow Jones *Eurostoxx 50®* index or have any obligation to do so.

STOXX and Dow Jones will not have any liability in connection with the notes. Specifically:

- STOXX and Dow Jones do not make any warranty, express or implied and disclaim any and all warranty about:
 - The results to be obtained by the notes, the owner of the notes or any other person in connection with the use of the *Dow Jones Eurostoxx 50®* index and the data included in Dow Jones Eurostoxx 50® index;
 - The accuracy or completeness of the Dow Jones Eurostoxx 50® index and its data;
 - The merchantability and the fitness for a particular purpose or use of the *Dow Jones Eurostoxx 50®* index and its data;
- STOXX and Dow Jones will have no liability for any errors, omissions or interruptions in the Dow Jones Eurostoxx 50® index or its data;
- Under no circumstances will STOXX or Dow Jones be liable for any lost profits or indirect, punitive, special or consequential damages or losses, even if STOXX or Dow Jones knows that they might occur.

The licensing agreement between Barclays and STOXX is solely for their benefit and not for the benefit of the owners of the notes or any other third parties.

S&P 500

S&P 500 is a trademark of The McGraw-Hill Companies, Inc. and have been licensed for use by Barclays Bank PLC. The Product(s) is/are not sponsored, endorsed, sold or promoted by Standard & Poor's and Standard & Poor's makes no representation regarding the advisability of investing in the Product(s).

The Product(s) is not sponsored, endorsed, sold or promoted by Standard & Poor's, a division of McGraw-Hill, Inc. ("S&P"). S&P makes no representation or warranty, express or implied, to the owners of the Product(s) or any member of the public regarding the advisability of investing in securities generally or in the Product(s) particularly or the ability of the S&P Indices to track general stock market performance. S&P's only relationship to the Licensee is the licensing of certain trademarks and trade names of S&P and of the S&P Indices which is determined, composed and calculated by S&P without regard to the Licensee or the Product(s). S&P has no obligation to take the needs of the Licensee or the owners of the Product(s) into consideration in determining, composing or calculating the S&P Indices. S&P is not responsible for and has not participated in the determination of the timing of, prices at, or quantities of the Product(s) to be issued or in the determination or calculation of the equation by which the Product(s) is to be converted into cash. S&P has no obligation or liability in connection with the administration, marketing or trading of the Product(s).

S&P DOES NOT GUARANTEE THE ACCURACY AND/OR THE COMPLETENESS OF THE S&P INDICES OR ANY DATA INCLUDED THEREIN AND S&P SHALL HAVE NO LIABILITY FOR ANY ERRORS, OMISSIONS, OR INTERRUPTIONS THEREIN. S&P MAKES NO WARRANTY, EXPRESS OR IMPLIED, AS TO RESULTS TO BE OBTAINED BY LICENSEE, OWNERS OF THE PRODUCT(S), OR ANY OTHER PERSON OR ENTITY FROM THE USE OF THE S&P INDICES OR ANY DATA INCLUDED THEREIN. S&P MAKES NO EXPRESS OR IMPLIED WARRANTIES, AND EXPRESSLY DISCLAIMS ALL WARRANTIES OF MERCHANT ABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE WITH RESPECT TO THE S&P INDICES OR ANY DATA INCLUDED THEREIN. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL S&P HAVE ANY LIABILITY FOR ANY SPECIAL, PUNITIVE, INDIRECT, OR CONSEQUENTIAL DAMAGES (INCLUDING LOST PROFITS), EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES.

Part A

Terms and Conditions of the Securities

The Securities shall have the following terms and conditions, which shall complete, modify and/or amend the Base Conditions and/or any applicable Relevant Annex(ex) set out in the Base Prospectus dated 5 August 2009.

Parties

Issuer and subscriber of the Notes:	Barclays Bank PLC
Guarantor:	N/A
Manager[s]:	Barclays Bank PLC
Determination Agent:	Barclays Bank PLC
Custodian Agent:	The Bank of New York Mellon
Stabilising Manager:	N/A
Registrar:	N/A
Transfer Agent:	N/A
Exchange Agent:	N/A
Link, Paying Agent and Foreign Custodian	BNP Paribas Securities Services, Sucursal en España (the "Spanish Securities Intermediary Entity" and the "Spanish Securities Paying Agent")
Market Maker:	RENTA4, SOCIEDAD DE VALORES Y BOLSA, S.A.

THE SECURITIES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE US SECURITIES ACT OF 1933, AS AMENDED (THE SECURITIES ACT) AND THE SECURITIES COMPRISE BEARER SECURITIES THAT ARE SUBJECT TO US TAX LAW REQUIREMENTS. SUBJECT TO CERTAIN EXCEPTIONS, THE SECURITIES MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, US PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT ("REGULATION S")). THESE FINAL TERMS HAVE BEEN PREPARED BY THE ISSUER FOR USE IN CONNECTION WITH THE OFFER AND SALE OF THE SECURITIES OUTSIDE THE UNITED STATES TO NON-US PERSONS IN RELIANCE ON REGULATION S AND FOR LISTING OF THE SECURITIES ON THE RELEVANT STOCK EXCHANGE, IF ANY, AS STATED HEREIN. FOR A DESCRIPTION OF THESE AND CERTAIN FURTHER RESTRICTIONS ON OFFERS AND SALES OF THE SECURITIES AND DISTRIBUTION OF THESE FINAL TERMS AND THE BASE PROSPECTUS SEE "PURCHASE AND SALE" IN THE BASE PROSPECTUS.

ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED.

These Securities are Spanish Securities. Securityholders should refer to the provisions of the Spanish Securities Annex of the Base Prospectus which shall apply to the Securities.

Provisions relating to the Securities

1	Title:	EUR50,000,000 Index Linked Notes due 5 March 2015 (<i>Bono Memoria</i>)
2	(i) Series:	GSN19694
	(ii) Tranche:	1
3	Currency:	Euro ("EUR")
4	Notes:	Applicable
	(i) Aggregate Nominal Amount as at the Issue Date:	EUR50,000,000
	(ii) Specified Denomination:	EUR1,000
5	Certificates:	N/A
6	Form:	
	(i) Global/Definitive/Uncertificated and dematerialised:	Global Note, to be held in custody by the Custodian Agent
	(ii) NGN Form:	N/A
	(iii) CGN Form:	N/A
7	Trade Date:	4 January 2010
8	Issue Date:	11 January 2010
9	Issue Price:	100 per cent. of the Aggregate Nominal Amount
10	Relevant Stock Exchange[s]:	Madrid and Barcelona Stock Exchange through the Spanish interconnection settlement system "SIBE"
11	The following Relevant Annex(es) shall apply to the Securities (<i>specify each applicable Relevant Annex</i>):	Equity Linked Annex

Provisions relating to interest (if any) payable on the Securities

12	Interest:	Applicable
13	Calculation Amount per Security as at the Issue Date:	EUR1,000
14	Interest Amount:	As per Conditions 4 and 24 of the Base Conditions
15	Interest Basis:	Variable Rate
16	Interest Rate[s]:	
	(i) Fixed Rate:	N/A
	(ii) Floating Rate:	N/A

(iii) Variable Rate:

Applicable

If on each Observation Date (t), the

$\min\left(\frac{Index_{i,t}}{Index_{i,Initial}}\right) \geq 100\%$, a Variable Rate will be payable

on the relevant Interest Payment Date, otherwise there will no Variable Rate payable on such Interest Payment Date.

Where;

"Variable Rate (t)" means the following:

$$Calculation Amount \times \left(t \times 4.50\% - \sum_{j=1}^{t-1} Variable Rate(j) \right)$$

" $\sum_{j=1}^{t-1} Variable Rate(j)$ " means [the sum of all previous

Variable Rate paid];

"t" means numbers 1 to 5;

"Index_{i,t}" means of the Index Level of each Index i) on the Observation Date;

"Index_i," Initial means the Index Level on the Strike Date;

"Strike Date" means 19 February 2010; and

"Observation Date" means each of 21 February 2011(t=1), 20 February 2012 (t=2), 19 February 2013 (t=3), 19 December 2014 (t=4) and 19 February 2015 (t=5).

(a) Credit Event Accrued Interest: N/A

(b) Extension Interest: N/A

(iv) Zero Coupon: N/A

17 Screen Rate Determination: N/A

(i) Reference Rate: N/A

(ii) Relevant Screen Page: N/A

18 ISDA Determination: N/A

19 Margin: N/A

N/A

20 Minimum/Maximum Interest Rate: N/A

	(i)	Minimum Interest Rate	N/A
	(ii)	Maximum Interest Rate	N/A
21		Interest Commencement Date:	The Issue Date
22		Interest Determination Date:	N/A
23		Interest Calculation Periods:	As defined in Condition 24 of the Base Conditions
	(i)	Interest Period End Dates:	N/A
	(ii)	Interest calculation method for short or long Interest Calculation Periods:	N/A
24		Interest Payment Dates:	7 March 2011, 5 March 2012, 5 March 2013, 5 March 2014 and the Redemption Date
25		Day Count Fraction:	N/A
26		Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest, if different from those set out in the Base Conditions:	N/A

Provisions relating to Redemption

27		Redemption Date:	5 March 2015
28		Settlement Method:	Cash Settlement
29		Settlement Currency:	EUR
30		Calculation Amount per Security as at the Issue Date:	EUR1,000
31		Terms relating to Cash Settled Securities:	
	(i)	Final Cash Settlement Amount:	Calculation Amount x 100%
	(ii)	Early Cash Settlement Amount:	As defined in Condition 24 of the Base Conditions
	(iii)	Early Cash Redemption Date:	As defined in Condition 24 of the Base Conditions
	(iv)	Disruption Cash Settlement Price:	N/A
32		Terms relating to Physically	

Delivered Securities:		
(i)	Final Physical Redemption Entitlement:	N/A
(ii)	Final Physical Redemption Date:	N/A
(iii)	Physical Delivery Date(s):	N/A
(iv)	Entitlement Substitution:	N/A
33	Nominal Call Event:	N/A
34	Call Option:	N/A
35	Put Option:	N/A
36	Specified Early Redemption Event:	N/A
37	Maximum and Minimum Redemption Requirements:	
(i)	Daily Maximum Amount:	N/A
(ii)	Minimum Number/Minimum Nominal Amount:	N/A
(iii)	Daily Maximum Number/Daily Maximum Amount:	N/A
38	Valuation Date(s):	Each Observation Date
39	Valuation Time:	As defined in the Relevant Annex
40	Averaging Date(s):	N/A
41	Additional Disruption Events in addition to those specified in Condition 24 of the Base Conditions and any applicable Relevant Annex:	
(i)	Other Additional Disruption Event:	N/A
(ii)	Affected Jurisdiction Hedging Disruption:	N/A
(iii)	Affected Jurisdiction Increased Cost of Hedging:	N/A
(iv)	Affected Jurisdiction:	N/A
42	Share Linked Securities:	N/A
43	Index Linked Securities (<i>Equity indices only</i>):	Applicable

(i)	Index/Indices (each a "Reference Asset"):	(a) The DJ EuroStoxx50 Index, as calculated and sponsored by STOXX and Dow Jones (Bloomberg ticker: SX5E); (b) S&P Index, as calculated and sponsored by Standard and Poors (Bloomberg ticker: SPX)
(ii)	Exchange[s]:	Multi-exchange Indices
(iii)	Related Exchange[s]:	All Exchanges in respect of the Indices
(iv)	Exchange Rate:	N/A
(v)	Weighting for each Reference Asset comprising the Basket of Reference Assets:	N/A
(vi)	Index Level of each Reference Asset:	N/A
(vii)	Averaging:	N/A
(a)	Averaging Dates:	N/A
(b)	Consequence of an Averaging Date being a Disrupted Day:	N/A
(viii)	Additional Disruption Event in respect of Index Linked Securities:	N/A
(ix)	FX Disruption Event:	N/A
(a)	Specified Currency:	N/A
(b)	Specified Jurisdiction:	N/A
(x)	Other adjustments:	N/A
44	Inflation Linked Securities:	N/A
45	Fund Linked Securities:	N/A
46	FX Linked Securities:	N/A
47	Credit Linked Securities:	N/A
48	Commodity Linked Securities:	N/A
49	Additional terms and conditions relating to the Securities:	N/A
Provisions relating to Settlement		
50	Minimum Settlement Amount:	N/A
51	Settlement in respect of APK Registered Securities, Swedish Registered Securities, VPS	For so long as it is a requirement of the Iberclear Rules, the Iberclear Registered Securities may not provide for any form of settlement (including in respect of payment of interest) other

- | | |
|---|--------------------------------------|
| Registered Securities or Spanish Securities: | than payment in cash. |
| 52 Additional provisions relating to Taxes and Settlement Expenses: | As set out in Paragraph 11 of Part B |

Definitions

- | | |
|-----------------------------------|---|
| 53 Business Day: | As defined in Condition 24 of the Base Conditions |
| 54 Additional Business Centre(s): | Madrid |

Selling restrictions and provisions relating to certification

- | | |
|---------------------------------|-------------------------------------|
| 55 Non-US Selling Restrictions: | As described in the Base Prospectus |
| 56 Applicable TEFRA exemption: | TEFRA C |

General

- | | |
|---|--|
| 57 Business Day Convention: | Modified Following |
| 58 Relevant Clearing System[s]: | Iberclear |
| 59 If syndicated, names [and addresses] of Managers [and underwriting commitments]: | N/A |
| 60 Details relating to Partly Paid Securities: | N/A |
| 61 Relevant securities codes: | ISIN: XS0458234159
Common Code: 045823415 |
| 62 Modifications to the Master Subscription Agreement and/or Master Agency Agreement: | N/A |
| 63 Additional Conditions and/or modification to the Conditions of the Securities: | N/A |

Part B Other Information

1 LISTING AND ADMISSION TO TRADING

- | | | |
|------|---|---|
| (i) | Listing | Madrid and Barcelona through S.I.B.E., trading platform of warrants, certificates and other products |
| (ii) | Admission to trading: | Application will be made by the Issuer (or on its behalf) for the Securities to be admitted to trading on the Regulated Market of the Madrid and Barcelona Stock Exchange on or around the Issue Date |
| (ii) | Estimate of total expenses related to admission to trading: | N/A |

2 RATINGS

- | | |
|----------|--|
| Ratings: | The Securities have not been individually rated. |
|----------|--|

3 NOTIFICATION

The Financial Services Authority of the United Kingdom has provided *Comisión Nacional del Mercado de Valores* (the "CNMV"), the competent authorities in Spain with a certificate of approval attesting that the Base Prospectus has been drawn up in accordance with the Prospectus Directive.

4 INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

Save as discussed in "Subscription and Sale", so far as the Issuer is aware, no person involved in the offer of the Securities has an interest material to the offer."

5 REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

- | | | |
|-------|---------------------------|-----------------|
| (i) | Reasons for the offer: | General funding |
| (ii) | Estimated net proceeds: | EUR50,000,000 |
| (iii) | Estimated total expenses: | N/A |

6 FIXED RATE SECURITIES ONLY - YIELD

- | | |
|----------------------|-----|
| Indication of yield: | N/A |
|----------------------|-----|

7 FLOATING RATE SECURITIES ONLY - HISTORIC INTEREST RATES

N/A

8 PERFORMANCE OF REFERENCE ASSET(S) OR OTHER VARIABLE, EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS AND OTHER INFORMATION CONCERNING THE REFERENCE ASSET(S) AND/OR OTHER UNDERLYING

Past and future performance of the Eurostoxx and the S&P500 (the Indices) can be obtained from various internationally recognised published or electronically available news sources, for example, Bloomberg.

Investors should note that historical performance should not be taken as an indication of future performance.

The Notes do not explicitly reference a derivative.

The interest payments of the Notes are linked to the performance of the Indices. Investors should note that the annual coupons payable on the Interest Payment Dates are dependent on the official closing levels of the Indices on the Interest Observation Dates relative to the official closing levels of the Indices on the Strike Date. In certain circumstances, including the event that the Notes are subject to cancellation, the amount paid to Noteholders on settlement may be less than their original investment. Investors should form their own views on the merits of an investment related to the Indices based on their own investigation thereof.

If the official closing level of any of the Indices on a particular Interest Observation Dates is less than or equal to the official closing level of the respective Index on the Strike Date, then the Notes will not pay any interest on that Interest Payment Date.

If any of the coupons has not been paid on a particular Interest Payment Date, but the Indices on a subsequent Interest Observation Date are higher than the official closing level of the Indices on the Strike Date, the Notes will pay any previously unpaid coupons.

The Final Cash Settlement Amount payable on the Maturity Date of the Notes will be 100%, regardless of the performance of the Indices.

9 PERFORMANCE OF RATE[S] OF EXCHANGE AND EXPLANATION OF EFFECT ON VALUE OF INVESTMENT

N/A

10 OPERATIONAL INFORMATION

Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking Société Anonyme (together with their addresses) and the relevant

Book-entries settled by Iberclear

identification number(s):

Delivery:

Names and addresses of additional Paying Agents(s) (if any) [and APK Issue and Paying Agent / Swedish Issue and Paying Agent / VPS Issue and Paying Agent / Spanish Securities Issue and Paying Agent]:

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

Delivery against payment

BNP Paribas Securities Services, Sucursal en España

C/ Ribera del Loira, 28, 3ª planta
28042 Madrid
Spain

No

11 OFFER INFORMATION

Offer Price:

EUR1,000 per Note

Issue Price: 100.00%

Offer Period and Distributors

The Offer Period in England shall be from and including 4 January 2010 10am CET to and including 4 January 2010 at 12 pm CET.

Conditions to which the offer is subject:

Offers of the Notes made prior to the Issue Date are conditional on their issue. Notes will be allotted subject to availability in the order of receipt of investors' applications.

The Issuer reserves the right to withdraw the offer of the Notes at any time on or prior to the end of the Offer Period.

Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants:

Subscription orders may be reduced in case of oversubscription, excess amount of funds paid being reduced without delay with no entitlement for compensation.

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

N/A

Manner in and date on which results of the offer are to be made public:

Results of the offer will be made public via the Issuer as soon as practically possible after the end of the Offer Period.

Categories of potential investors to which the Notes are offered and whether tranche(s) have been reserved for certain countries:

Offers may be made to any person. Offers (if any) in other EEA countries will only be made pursuant to an exemption from the obligation under the Prospectus Directive as implemented in such countries to publish a prospectus.

Amount of any expenses and taxes specifically charged to the subscriber or purchaser:

N/A

Name(s) and address(es), to the extent known to the Issuer, of the placers in the various countries where the offer takes place.

The Distributors named above at:
Barclays Capital S.A.
Plaza Colón 1,
Madrid
Spain

12. SPECIFIC COUNTRY TAX INFORMATION - SPAIN

General tax information

The following is a description of certain Spanish tax considerations relevant to a Noteholder. This statement must not be understood to be tax advice. It is based on the Spain tax laws and their interpretation in effect on the date of this prospectus that may be subject to changes. Such changes may negatively affect the tax treatment as described below. This description does not purport to be complete with respect to the tax information that may be relevant for the Noteholder due to his personal circumstances. Prospective buyers of the note are advised to consult their professional tax advisor regarding the tax consequences of the purchase, ownership, disposal, redemption or transfer of the Note.

Taxation of a Spanish tax resident individual

According to article 25 of the Spanish Personal Income Tax Act, both the interests (coupons) and the income derived from the transfer or cash settlement, obtained by Spanish Tax resident individuals from the Notes would be considered as yields from moveable capital.

In case of transfer or cash settlement, the yield obtained by the investor would be the difference between the amount received (reduced in the expenses related to the

transfer) and the acquisition cost or subscription value (incremented in the costs related to the acquisition).

Notwithstanding the above, income obtained from the coupons will be taxed for the total amount.

According to legislation in force, income or losses from moveable capital will be included as "saving part" of the taxable income being taxed on a net basis at a flat rate of 19% to the income that does not exceed 6,000 euros, and 21% to the income higher than 6,000 euros.

Positive yields and income from coupons obtained will be, as a general rule, subject to withholding tax at a rate of 19%. Withholdings are creditable against the investor's final tax liability, being, as a general rule, the depository entity resident in Spanish territory (or a Spanish permanent establishment of a non resident entity) obliged to withhold taxes.

However, there is no obligation to withhold tax on the income derived from the transfer or reimbursement of financial products with explicit yields ("*activos financieros con rendimiento explícito*"), when they are represented by book entries and are traded on a Spanish official secondary securities market, except the part of the price which is equivalent to the accrued interest on any transfer which is made within the thirty (30) days immediately prior to the maturity of the coupon when (i) the acquirer is an individual or entity not resident in Spanish territory or is a taxable person for Corporate Income Tax purposes and (ii) this express income is exempt from the obligation to withhold in relation to the acquirer.

Taxation of a Spanish tax resident company

According to article 10.3 of the Spanish Corporate Income Tax Act, income obtained by a Spanish entity from the investment in the Notes will be included in the taxable base of the said entities in accordance to the accounting standards being taxed at the rate corresponding to the Noteholder (generally 30%).

As long as the Notes are represented by book entries and are traded on the Madrid and Barcelona Stock Exchanges, no withholding tax obligation would arise.

As the Corporate Income Tax base is calculated on the accounting P&L outcome, any change in the accounting standards affecting this type of instruments could impact the Notes tax treatment.

Taxation of Non Spanish Resident

Non Spanish residents would only be taxed in Spain on income obtained from the Notes in case they act in Spain through a Permanent Establishment to which the Notes are allocated. In this latter case, these Non Spanish residents would be taxed as explained for the Spanish tax resident companies.