



**BARCLAYS BANK PLC**

*(Incorporated with limited liability in England and Wales)*

**BARCLAYS CAPITAL (CAYMAN) LIMITED**

*(Incorporated as an exempted company with limited liability in the Cayman Islands)*

*(Guaranteed by Barclays Bank PLC)*

**PROGRAMME FOR THE ISSUANCE OF STRUCTURED INVESTMENT MANAGEMENT PLAN  
LINKED TO EQUITY (S.I.M.P.L.E.) NOTES  
STRUCTURED SECURITIES PROGRAMME  
GLOBAL STRUCTURED SECURITIES PROGRAMME**

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This Base Prospectuses Supplement (the "**Combined Supplement 1/2010**") is supplemental to and must be read in conjunction with each of the following: (i) the Base Prospectus dated 9 April 2009 (the "**Original S.I.M.P.L.E. Base Prospectus**"), as supplemented on 1 June 2009, on 6 August 2009, on 24 September 2009, on 4 November 2009 and 2 December 2009 (together the "**S.I.M.P.L.E. Base Prospectus**") in connection with the Programme for the issuance of Structured Investment Management Plan Linked to Equity (S.I.M.P.L.E.) Notes (the "**S.I.M.P.L.E. Programme**"); and (ii) the Base Prospectus dated 27 March 2009 (the "**Original SSP Base Prospectus**"), as supplemented on 1 June 2009, on 6 August, on 24 September 2009 and on 4 November 2009 (together the "**SSP Base Prospectus**") in connection with the Structured Securities Programme for the issuance of structured Notes, Warrants and Certificates (the "**SS Programme**"); and (iii) the Base Prospectus dated 5 August 2009 (the "**Original GSSP Base Prospectus**"), as supplemented on 24 September 2009, on 4 November 2009, on 5 November 2009, on 16 November 2009, on 13 January 2010 and on 1 February 2010 (together the "**GSSP Base Prospectus**") in connection with the Global Structured Securities Programme for the issuance of structured Notes, Warrants and Certificates (the "**GSS Programme**") and, together with the S.I.M.P.L.E. Programme and the SS Programme, the "**Relevant Programmes**" and each a "**Relevant Programme**"). Each of the Relevant Programmes base prospectuses were prepared by Barclays Bank PLC (the "**Bank**") and Barclays Capital (Cayman) Limited ("**BCCL**") (each in its capacity as an issuer, an "**Issuer**" and, together, and where relevant, the "**Issuers**").

This Combined Supplement 1/2010 constitutes a base prospectus supplement in respect of each of the S.I.M.P.L.E. Base Prospectus, the SSP Base Prospectus and the GSSP Base Prospectus (each a "**Relevant Base Prospectus**") for the purposes of Directive 2003/71/EC (the "**Prospectus Directive**") and for the purpose of Section 87G of the UK Financial Services and Markets Act 2000. Investors should be aware of their rights under Section 87Q(4) of the UK Financial Services and Markets Act 2000.

Terms defined in each Relevant Base Prospectus shall, unless the context otherwise requires, have the same meaning when used in this Combined Supplement 1/2010. This Combined Supplement 1/2010 is supplemental to, and shall be read in conjunction with each Relevant Base Prospectus

and other supplements to the Relevant Base Prospectuses issued by the Issuers. To the extent that there is any inconsistency between (a) any statement in this Combined Supplement 1/2010 or any statement incorporated by reference into each Relevant Base Prospectus by this Combined Supplement 1/2010 and (b) any other statement in, or incorporated by reference into each Relevant Base Prospectus, the statements in (a) above shall prevail.

The Issuers accept responsibility for the information contained in this Combined Supplement 1/2010 and declare that, having taken all reasonable care to ensure that such is the case, the information contained in this Combined Supplement 1/2010 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 Combined Supplement 1/2010, no significant new factor, material mistake or inaccuracy relating to the information included in each Relevant Base Prospectus which is capable of affecting the assessment of the securities issued under each Relevant Programme has arisen or been noted, as the case may be, since the publication of each Relevant Base Prospectus issued by the Issuers.

This Combined Supplement 1/2010 has been approved by the United Kingdom Financial Services Authority, 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 base prospectus supplement 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 under the Relevant Programmes.

The purposes of this Combined Supplement 1/2010 are:

A) to delete and replace in its entirety with the following:

**“In respect of information relating to the Bank, the Group and the Holding Company:**

- the joint Annual Report of Barclays Bank PLC (the "**Bank**") and Barclays PLC, as filed with the U.S. Securities and Exchange Commission ("**SEC**") on Form 20-F in respect of the years ended 31 December 2007 and 31 December 2008 (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 this Base Prospectus;
- the Annual Reports of the Bank containing the audited consolidated accounts of the Bank in respect of the years ended 31 December 2007 (the "**2007 Bank Annual Report**") and 31 December 2008 (the "**2008 Bank Annual Report**"), respectively; and
- the unaudited Results Announcement of Barclays PLC in respect of the year ended 31 December 2009 as filed with the SEC on Form 6-K on Film Number 10607288 on 16 February 2010 (the "**Results Announcement**") and the unaudited Preliminary Results Announcement of the Bank in respect of the year ended 31 December 2009 (the "**Bank Results Announcement**") with the exception of the sections headed "Performance Highlights", "Group Chief Executive's Review" and "Group Finance Director's Review" on pages 2-10 inclusive of the Bank Results Announcement which shall not be deemed to be incorporated in this Base Prospectus."

the subsection headed "**In respect of information relating to the Bank, the Group and the Holding Company**" appearing:

1) on page 23 of the Original S.I.M.P.L.E. Base Prospectus; and

2) on page 35 of the Original SSP Base Prospectus; and

3) on page 40 of the Original GSSP Base Prospectus.

B) to delete and replace in its entirety with the following:

#### **“THE BANK AND THE GROUP**

The Bank is a public limited company registered in England and Wales under number 1026167. The liability of the members of the Bank is limited. It has its registered and head office at 1 Churchill Place, London, E14 5HP, telephone number +44 (0)20 7116 1000. The Bank was incorporated on 7 August 1925 under the Colonial Bank Act 1925 and on 4 October 1971 was registered as a company limited by shares under the Companies Act 1948 to 1967. Pursuant to The Barclays Bank Act 1984, on 1 January 1985, the Bank was re-registered as a public limited company and its name was changed from "Barclays Bank International Limited" to "Barclays Bank PLC".

The Bank and its subsidiary undertakings (taken together, the "**Group**") is a major global financial services provider engaged in retail and commercial banking, credit cards, investment banking, wealth management and investment management services with an extensive international presence in Europe, United States, Africa and Asia. The whole of the issued ordinary share capital of the Bank is beneficially owned by Barclays PLC, which is the ultimate holding company of the Group.

The short term unsecured obligations of the Bank are rated A-1+ by Standard & Poor's, P-1 by Moody's and F1+ by Fitch Ratings Limited and the long-term obligations of the Bank are rated AA- by Standard & Poor's, Aa3 by Moody's and AA- by Fitch Ratings Limited.

Based on the Group's audited financial information for the year ended 31 December 2008, the Group had total assets of £2,053,029 million (2007: £1,227,583 million), total net loans and advances<sup>1</sup> of £509,522 million (2007: £385,518 million), total deposits<sup>2</sup> of £450,443 million (2007: £386,395 million), and total shareholders' equity of £43,574 million (2007: £31,821 million) (including minority interests of £2,372 million (2007: £1,949 million)). The profit before tax of the Group for the year ended 31 December 2008 was £6,035 million (2007: £7,107 million) after impairment charges on loans and advances and other credit provisions of £5,419 million (2007: £2,795 million). The financial information in this paragraph is extracted from the 2008 Bank Annual Report.

Based on the Group's unaudited financial information for the year ended 31 December 2009, the Group had total assets of £1,379,148 million, total net loans and advances<sup>1</sup> of £461,359 million, total deposits<sup>2</sup> of £398,901 million, and total shareholders' equity of £58,699 million (including non-controlling interests of £2,774 million). The profit before tax of the Group for the year ended 31 December 2009 was £11,616 million (£4,559 million excluding the sale of Barclays Global Investors) after impairment charges and other credit provisions of £8,071 million. The financial information in this paragraph is extracted from the unaudited Preliminary Results Announcement of the Group for the year ended 31 December 2009.

#### **Acquisitions, Disposals and Recent Developments**

##### *Acquisition of Citi's Italian credit card business*

On 11 February 2010, Barclays PLC announced that the Bank agreed to acquire the Italian credit card business of Citibank International Bank plc. Barclays will acquire the business as a going concern which involves the acquisition of approximately 197,000 credit card accounts and gross

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<sup>1</sup> Total net loans and advances include balances relating to both banks and customers.

<sup>2</sup> Total deposits include deposits from banks and customer accounts

assets of approximately €234 million (as at 31 December 2009). Completion is expected to occur in the first quarter of 2010 but is subject to customary conditions, including competition clearance and completion of the mandatory consultation procedure with trade unions.

#### *Sale of Barclays Global Investors*

On 12 June 2009, Barclays PLC announced receipt of a binding offer for the Barclays Global Investors business and on 16 June 2009 announced acceptance of such offer. The sale of Barclays Global Investors business to BlackRock, Inc. was completed on 1 December, 2009 for US\$15.2 billion (£9.5 billion), including 37.567 million new BlackRock shares.

#### *Acquisition of Standard Life Bank*

On 26 October 2009 Barclays PLC announced that the Bank had agreed to acquire Standard Life Bank Plc from Standard Life Plc for a consideration of £226m. The acquisition was completed on 1 January 2010.

#### *Acquisition of Citi's Portuguese credit card business*

On 29 September 2009 Barclays PLC announced that the Bank, acting through its Portuguese branch, had agreed to acquire approximately 400,000 credit card accounts (representing gross assets of approximately €644m (as at 30 June 2009)) from Citibank International plc, Sucursal em Portugal. The acquisition was completed on 30 November 2009.

#### *Restructuring of credit market assets*

On 16 September 2009 Barclays PLC announced the restructuring of US\$12.3 billion of credit market assets. Further information is included in the Bank Results Announcement incorporated by reference.

#### *Life insurance joint venture*

On 10 September 2009 the Bank and CNP Assurances SA ('CNP') confirmed the establishment of a long-term life insurance joint venture in Spain, Portugal and Italy. As part of this transaction, Barclays sold a 50 per cent stake in Barclays Vida y Pensiones Compañía de Seguros ('BVP'), Barclays Iberian life insurance and pensions subsidiary, to CNP. CNP paid €140 million on completion. This is subject to a post-completion adjustment by reference to BVP's net assets as at closing.

#### *Competition and regulatory matters*

The scale of regulatory change remains challenging and the global financial crisis is resulting in a significant tightening of regulation and changes to regulatory structures globally, especially for banks that are deemed to be of systemic importance. Concurrently, there is continuing political and regulatory scrutiny of the operation of the banking and consumer credit industries in the UK and elsewhere which, in some cases, is leading to increased regulation. For example, the Credit Card Accountability, Responsibility and Disclosure Act of 2009 in the US will restrict many credit card pricing and marketing practices. The nature and impact of future changes in the legal framework, policies and regulatory action cannot currently be fully predicted and are beyond the Group's control, but, especially in the area of banking regulation, are likely to have an impact on the Group's businesses and earnings.

The market for payment protection insurance ("PPI") has been under scrutiny by the UK competition authorities and financial services regulators. Following a reference from the Office of Fair Trading ("OFT") the UK Competition Commission ("CC") undertook an in-depth inquiry into the PPI market. The CC published its final report into the PPI market on 29 January 2009 concluding that the businesses which offer PPI alongside credit face little or no competition when selling PPI to their credit customers. In March 2009, Barclays submitted a targeted appeal focused on the prohibition on sale of PPI at the point of sale ("POSP") remedy on the basis that it was not based on

sound analysis, and is unduly draconian. The Competition Appeals Tribunal ("CAT") upheld Barclays appeal on two grounds, meaning that the CC will be required to reconsider the POSP remedy and the basis for it, and made an order to that effect on 26 November 2009. This remittal process is expected to take until the autumn of 2010, at which time the CC will publish its final Remedies Order.

Separately, in 2006, the FSA published the outcome of its broad industry thematic review of PPI sales practices in which it concluded that some firms fail to treat customers fairly and that the FSA would strengthen its actions against such firms. Tackling poor PPI sales practices remains a priority for the FSA. In September 2009, the FSA issued a Consultation Paper on the assessment and redress of PPI complaints made on or after 14 January 2005. The FSA has announced that it intends to publish a final version of the policy statement in early 2010 and will amend the DISP rules in the FSA Sourcebook. The Group voluntarily complied with the FSA's request to cease selling single premium PPI by the end of January 2009.

The OFT has carried out investigations into Visa and MasterCard credit card interchange rates. The decision by the OFT in the MasterCard interchange case was set aside by the CAT in 2006. The OFT is progressing its investigations in the Visa interchange case and a second MasterCard interchange case in parallel and both are ongoing. The outcome is not known but these investigations may have an impact on the consumer credit industry in general and therefore on the Group's business in this sector. In 2007, the OFT expanded its investigation into interchange rates to include debit cards.

Notwithstanding the UK Supreme Court ruling in relation to the current account charges test case, the Bank continues to be involved in the OFT's work on personal current accounts. The OFT initiated a market study into personal current accounts ("PCAs") in the UK in 2007 which also included an examination of other retail banking products, in particular savings accounts, credit cards, personal loans and mortgages in order to take into account the competitive dynamics of UK retail banking. In 2008, the OFT published its market study report, in which it concluded that certain features of the UK PCA market were not working well for consumers. The OFT reached the provisional view that some form of regulatory intervention is necessary in the UK PCA market. The OFT also held a consultation to seek views on the findings and possible measures to address the issues raised in its report. In October 2009, the OFT published a follow-up report containing details of voluntary initiatives agreed between the OFT and the industry. The Group has participated fully in the market study process and will continue to do so.

US laws and regulations require compliance with US economic sanctions, administered by the Office of Foreign Assets Control, against designated foreign countries, nationals and others. HM Treasury regulations similarly require compliance with sanctions adopted by the UK government. The Group has been conducting an internal review of its conduct with respect to US Dollar payments involving countries, persons and entities subject to these sanctions and has been reporting to governmental authorities about the results of that review. The Group received inquiries relating to these sanctions and certain US Dollar payments processed by its New York branch from the New York County District Attorney's Office and the US Department of Justice, which along with other authorities, has been reported to be conducting investigations of sanctions compliance by non-US financial institutions. The Group has responded to those inquiries and is cooperating with the regulators, the Department of Justice and the District Attorney's Office in connection with their investigations of the Group's conduct with respect to sanctions compliance. Barclays has also received a formal notice of investigation from the FSA, and has been keeping the FSA informed of the progress of the US investigations and the Group's internal review. The Group's review is ongoing. It is currently not possible to predict the ultimate resolution of the issues covered by the Group's review and the investigations, including the timing and potential financial impact of any resolution, which could be substantial.

## Directors

The Directors of the Bank, each of whose business address is 1 Churchill Place, London E14 5HP, their functions in relation to the Group and their principal outside activities (if any) of significance to the Group are as follows:

<u>Name</u>	<u>Function(s) within the Group</u>	<u>Principal outside activities</u>
Marcus Agius	Group Chairman	Non-Executive Director, British Broadcasting Corporation
John Varley	Group Chief Executive	Non-Executive Director, AstraZeneca PLC, Non-Executive Director, BlackRock, Inc.
Chris Lucas	Group Finance Director	—
Robert E Diamond Jr	President, Barclays PLC, Chief Executive, Investment Banking and Investment Management	Chairman, Old Vic Productions PLC, Non-Executive Director, BlackRock, Inc.
Sir Richard Broadbent	Deputy Chairman, Senior Independent Director and Non-Executive Director	Chairman, Arriva plc
David Booth	Non-Executive Director	—
Leigh Clifford	Non-Executive Director	Chairman, Qantas Airways Limited
Fulvio Conti	Non-Executive Director	Chief Executive Officer, Enel SpA, Director, AON Corporation
Simon Fraser	Non-Executive Director	Non-Executive Director, Fidelity Japanese Values Plc and Fidelity European Values Plc
Reuben Jeffery III	Non-Executive Director	Senior Adviser, Center for Strategic & International Studies
Sir Andrew Likierman	Non-Executive Director	Professor of Management Practice in Accounting, London Business School, Chairman, National Audit Office
Sir Michael Rake	Non-Executive Director	Chairman, BT Group PLC, Director, McGraw-Hill Companies, Director, Financial Reporting Council, Chairman, UK Commission for Employment and Skills, Chairman, EasyJet PLC
Sir John Sunderland	Non-Executive Director	Director, Financial Reporting Council, Director, Merlin Entertainments Group

No potential conflicts of interest exist between any duties to the Bank of the Board of Directors listed above and their private interests or other duties.

## Employees

The average number of persons employed by the Group worldwide during 2008, excluding agency staff, was 151,500 (2007: 128,900).

## Litigation

On 25th November 2009, the UK Supreme Court decided the test case relating to current account overdraft charges in favour of the banks. The Office of Fair Trading subsequently confirmed that it will not proceed with its investigation into the fairness of these charges following the Supreme Court judgment. Accordingly, the Group is seeking to have all outstanding claims which were premised on the same legal principles as those at issue in the test case discontinued or dismissed. There remain a small number of residual complaints challenging the charges on a different basis, but these complaints are not expected to have a material effect on the Bank.

Barclays Bank PLC, Barclays PLC and various current and former members of Barclays PLC's Board of Directors have been named as defendants in five proposed securities class actions (which have been consolidated) pending in the United States District Court for the Southern District of New York. The initial complaints, filed in 2009, allege that the registration statements relating to American Depositary Shares representing Preferred Stock, Series 2, 3, 4 and 5 ("ADS") offered by the Bank at various times between 2006 and 2008 contained misstatements and omissions concerning (amongst other things) the Bank's portfolio of mortgage-related (including U.S. subprime-related) securities and the Bank's financial condition. The complaints assert claims under Sections 11, 12(a)(2) and 15 of the Securities Act of 1933. The Bank considers that these ADS-related claims against it are without merit and is defending them vigorously. It is not possible to estimate any possible loss in relation to these claims or any effect that they might have upon operating results in any particular financial period.

On 15th September 2009 motions were filed in the United States Bankruptcy Court for the Southern District of New York by Lehman Brothers Holdings Inc. ("LBHI"), the SIPA Trustee for Lehman Brothers Inc. (the "Trustee") and the Official Committee of Unsecured Creditors of Lehman Brothers Holdings Inc. (the Committee). All three motions challenge certain aspects of the transaction pursuant to which Barclays Capital Inc. ("BCI") and other companies in the Group acquired most of the assets of Lehman Brothers Inc. ("LBI") in September 2008 and the court order approving such sale. The claimants seek an order: voiding the transfer of certain assets to BCI; requiring BCI to return to the LBI estate alleged excess value BCI received; and declaring that BCI is not entitled to certain assets that it claims pursuant to the sale documents and order approving the sale. On 16th November 2009, LBHI, the Trustee and the Committee filed separate complaints in the Bankruptcy Court asserting claims against BCI based on the same underlying allegations as the pending motions and seeking relief similar to that which is requested in the motions. On 29th January 2010, BCI filed its response to the motions. The Bank considers that the motions and claims against BCI are without merit and BCI is vigorously defending its position. On 29th January 2010, BCI also filed a motion seeking delivery of certain assets that LBHI and LBI have failed to deliver as required by the sale documents and the court order approving the sale. It is not possible to estimate any possible loss to the Bank in relation to these matters or any effect that these matters might have upon operating results in any particular financial period.

Barclays PLC and the Group is engaged in various other litigation proceedings both in the United Kingdom and a number of overseas jurisdictions, including the United States, involving claims by and against it which arise in the ordinary course of business. The Bank does not expect the ultimate resolution of any of the proceedings to which the Group is party to have a significant adverse effect on the financial position of the Group and the Bank has not disclosed the contingent liabilities associated with these claims either because they cannot reasonably be estimated or because such disclosure could be prejudicial to the conduct of the claims.

Save as disclosed in paragraphs 2 and 3 of this section Litigation, 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 Base 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 30 June 2009.

#### **Material Adverse Change Statement**

There has been no material adverse change in the prospects of the Bank or the Group since 31 December 2008.”

the section headed “THE BANK AND THE GROUP”:

- 1) commencing on page 90 and ending on page 99 of the Original S.I.M.P.L.E. Base Prospectus; and
- 2) commencing on page 37 and ending on page 45 of the Original SSP Base Prospectus; and
- 3) commencing on page 42 and ending on page 51 of the Original GSSP Base Prospectus.

C) to delete in its entirety the third paragraph on page 118 of the Original GSSP Base Prospectus reading:

*“Securities in respect of which a Minimum Settlement Amount is specified in the applicable Final Terms shall not be admitted to listing on the Official List and admitted to trading on the Regulated Market of the London Stock Exchange.”*

*Arranger*

**Barclays Capital**

**The date of this Combined Supplement 1/2010 is 17 February 2010.**