

GUARANTEED INCOME & GROWTH ACCOUNT- Issue 5

Limited offer until 15 December 2008

Drawing the line between income and growth

Deciding between depositing money in a low-risk account which pays out a fixed interest and gaining exposure to various asset classes is often challenging.

The Guaranteed Income & Growth Account is designed to offer you a combination of the two investment approaches. This five-year account takes half the money you subscribe and deposits it into a 'Cash Deposit Account' offering a particularly attractive interest with an enhanced fixed rate in the first year and competitive fixed interest for the remaining four years, paid out annually. In addition, you

have an annual opportunity to have the funds within the Cash Deposit Account returned to you or returned at maturity.

The other half of your money is deposited into an 'Index Linked Account' which links your returns to the performance of a diversified asset basket of indices and funds. The asset basket has exposure to developed and emerging market equities, bonds, commodities and cash. While there is a possibility here that you will not receive any return if the diversified asset basket declines over the next five years, you will still receive repayment of your initial capital within the Index Linked Account at maturity.

Product overview

- Only available in sterling (£10,000 minimum)
- Guarantees repayment of initial capital at the end of the five-year term
- No access to the Index Linked Account during the term
- Your capital is equally split into two accounts:
 - **50% of capital into the Cash Deposit Account** – offers a fixed return of 7.0% gross*/AER** for the first year and 5.0% gross*/AER** paid annually for the remainder of the term. There is also an annual opportunity to withdraw the funds and close the Cash Deposit Account. Instructions must be given two weeks before the relevant distribution date / anniversary date (see table below)
 - **50% of capital into the Index Linked Account** – offers 50% of the rise in a weighted basket comprising the Dow Jones Euro STOXX 50 Index (20%), the FTSE 100 Index (20%), the S&P 500 Index (20%), the iShares MSCI Emerging Markets Index Fund (9%), the iShares FTSE UK Gilt All Stock (16%), the S&P GSCI Excess Return Index (10%) and the Barclays GBP Overnight Index (5%) (the 'Asset Basket') at the end of the five-year term. This means that if the value of the basket rises, the Index- Linked Account will pay half that rise to you at the end of the term. No withdrawals can be made from the Index Linked Account before maturity.

| | |
|--|---|
| Offer period ¹ | 3 November 2008 to 15 December 2008 |
| Debit date | Your nominated bank account will be debited within 48 hours from date of receipt of your completed application. No interest will be paid between the date of receipt of application and the deposit start date. |
| Initial Reference Date | 30 December 2008 |
| Maturity date | 30 December 2013 |
| Distribution date (Cash Deposit Account) | The fixed annual return will be paid on the following dates: 30 December 2009, 30 December 2010, 30 December 2011, 31 December 2012 and the Maturity Date. |
| Proceeds available by | No later than five business dates after the maturity date |

¹ We may extend the offer period or close it early without notice, at our discretion

* Gross - the interest rate paid without the deduction of tax. Clients should check their own tax situation as there may be a potential tax liability.

** AER - Annual Equivalent Rate illustrates what the interest rate would be if the interest was paid and compounded each year.

50%

Cash Deposit Account

- 50% of your deposit is placed in this five-year account and is guaranteed to be repaid at the end of the term.
- The account offers a particularly attractive interest rate with an enhanced fixed rate in the first year and competitive interest rate for the remaining four years, paid out annually.
- Annual opportunity to have the funds within this account returned to you (or returned at maturity).
- This income is paid out annually so you can benefit from a regular income stream throughout the term.

50%

Index Linked Account

- 50% of your deposit is placed in this five-year account and is guaranteed to be repaid at the end of the term.
- This provides returns linked to the potential growth in the Asset Basket. If the level of the Asset Basket has increased at maturity compared to the start date (Initial Reference Date), then returns will equal 50% of the percentage rise (after allowing for averaging over the final twelve months - see explanation on the next page).
- If the level of the Asset Basket has not changed or fallen at maturity compared to its level at the Initial Reference Date, then no return is paid out. The amount deposited into this account will still be repaid on maturity, irrespective of the performance of the Asset Basket.
- No return or interest is paid out before maturity.

Is this deposit right for you?

Yes, I am happy to make a deposit because:

- I want to know that my original deposit will be repaid at maturity (no matter how the Asset Basket performs with respect to the Index Linked Account)
- I am unlikely to need access to all my deposit over the next five years.
- I like the annual opportunity to withdraw the funds within the Cash Deposit Account in full
- I want to share in some of the return potential of the equity markets tracked by the Index Linked Account over the term of the account.

No, this Account probably isn't right for me because:

- I cannot accept not being able to withdraw my money before the end of the term. I might need it in an emergency.
- I don't want to risk getting less under the Account than I would have done in an ordinary deposit account.
- I want to have more than a 50% share in the return potential of the indices tracked with respect to the Index Linked Account.

Examples of potential returns

Assuming a £10,000 deposit into the Guaranteed Income & Growth Account:

- **50% is deposited into the Cash Deposit Account:**

£5,000

After the first year, depositors receive an income of £350 (£5,000 x 7.0%) and will thereafter receive an annual income for the next four years of £250 (£5,000 x 5.0%)

- **Other 50% is deposited into the Index Linked Account:**

£5,000

The table below shows some examples of possible Returns²:

| Final Basket Performance | Index Linked Account's return | Value at maturity |
|--------------------------|-------------------------------|-------------------|
| 40% | 20% | £6,000 |
| 20% | 10% | £5,500 |
| 0% | 0% | £5,000 |
| -40% | 0% | £5,000 |

Questions & Answers

What is averaging?

What is meant by averaging is that the average of the monthly performance of the Asset Basket over the last twelve months of the term is taken to calculate the Final Basket Performance. While this averaging can reduce the potential for gain when the Asset Basket rises during the averaging period, it can also lessen the effects of falls in the Asset Basket during this period.

How easy is it to make a deposit?

Simply read the brochure, including the terms and conditions, then complete the application form and return it with all the relevant documentation to the address provided or phone +44 (0)1624 6840001. You can also find further details on www.barclays.com/internationalpersonal

Can I access my deposit before maturity?

You will not be allowed access to the funds within the Index Linked Account before maturity other than in the event of death (personal customers) or insolvency/ dissolution (companies/trusts). However, you can access the funds within the Cash Deposit Account on each annual / distribution date which will involve the withdrawal of all the funds within this account and the closure of this account. You should contact us in writing (see Term 8.3 of the terms and conditions for address details) or by telephone on 44 (0)1624 684 444* and instruct us to withdraw your full deposit in the Cash Deposit Account. You can instruct us up to two weeks before each Distribution Date (detailed on page 1). If you instruct us less than two weeks before the relevant Distribution Date, your instruction will not be processed until the following year.

However, if you need access to your funds other than in the circumstances outlined above, Barclays Bank may be prepared to lend to you against the security of the Account. Where the cost of that borrowing is greater than the return generated by the Account, you may suffer a net loss in value on an aggregate basis even if the Account has generated a positive return.

Will I have to pay any additional fees?

No. All charges are reflected in the terms of the Account. Barclays Wealth International will receive a commission for the arrangement of this Account. This will be 4% of your deposit.

Is making a deposit in the Index Linked Account the same as investing in shares?

No, this is not the case. By directly investing in the components of the indices that make up the basket, you would enjoy the full benefit of any increase in value as well as receiving any dividends. This is not the case under this Account which offers half of any percentage rise in the Asset Basket and does not reflect the payment of any dividends. However, if the value of the shares falls, then by investing directly, you would lose a percentage or even all of your capital. This is not the case under the deposit as your initial capital is protected.

² The figures above are examples only and changes in the performance levels have been chosen solely to demonstrate potential returns.

* Calls are recorded so that we can monitor the quality of our service and for security reasons. Lines are open from 9am to 5pm UK time Monday to Friday. Call costs may vary. Please check with your telecoms provider.

Important information

You should read the brochure and accompanying terms and conditions before you make a deposit. These documents explain the aims of the Account and should answer any questions you may have. You should check your own tax situation, as there may be a potential tax liability. You should consult your local adviser in order to comply with your domestic tax regulations and to ensure completion of any necessary tax certificates.

If you reside in, are physically present in, or move to a jurisdiction in which we are not licensed or authorised, we reserve the right to refuse a deposit or decline to open an Account or close your Account with immediate effect. If we close your Account, we shall notify you of this.

This product is not available to any person residing in the US or US resident company or any other form of US organisation.

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This product is not available to any person residing in Sudan, Cuba, Syria, Iran, Iraq, Liberia, North Korea or Myanmar (Burma).

Index information

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This item can be provided in Braille, large print or audio by calling 0800 400 100* (via TextDirect if appropriate). If outside the UK, please call: +44 (0)1624 684 444**

*Lines are open 8am to 8pm UK time Monday to Friday and 9am to 5pm UK time Saturday and UK bank holidays. Calls to 0800 numbers are free if made from a UK landline. Other call costs may vary – please check with your telecoms provider.

**Lines are open 8am to 6pm UK time Monday to Friday excluding UK bank holidays. Call costs may vary – please check with your telecoms provider.

Calls may be recorded so that we can monitor the quality of our service and for security purposes.

Barclays Bank PLC has its principal place of business in the Isle of Man at Barclays House, Victoria Street, Douglas, Isle of Man. The paid up capital and reserves of Barclays Bank PLC exceed £8,753 million. Latest audited accounts available on request.

Barclays Wealth is the wealth management division of Barclays and operates through Barclays Bank PLC and its subsidiaries.

Barclays Bank PLC is licensed by the Isle of Man Financial Supervision Commission for Banking and Investment Business.

Barclays Bank PLC is regulated by the Jersey Financial Services Commission to carry on deposit-taking business under the Banking Business (Jersey) Law 1991 and for the conduct of Investment Business under the Financial Services (Jersey) Law 1998.

Barclays Bank PLC is licensed under the Banking Supervision (Bailiwick of Guernsey) Law 1994, as amended, and the Protection of Investors (Bailiwick of Guernsey) Law 1987, as amended.

Barclays Bank PLC is authorised to act as a Representative Office by the Malta Financial Services Authority.

Authorised by the Gibraltar Financial Services Commission to conduct Banking and Investment Business in Gibraltar.

Barclays Bank PLC is registered in England and is authorised and regulated by the Financial Services Authority. Registered No: 1026167. Registered Office: 1 Churchill Place, London E14 5HP.

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The S&P 500 Index used to determine the return generated by the Plan is based solely on 'capital return'. This means that it does not take into account any dividends from the companies whose performance they track.

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