

**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)

The Prospectuses listed in the schedule hereto

This Supplementary Prospectus dated 10 May 2012 ("**Supplementary Prospectus**") is supplemental to and must be read in conjunction with each of the Base Prospectuses (as listed in the schedule hereto (the "**Base Prospectuses**" and each a "**Base Prospectus**"). The Base Prospectuses were prepared by Barclays Bank PLC (the "**Bank**") and, in the case of the GSSP Base Prospectus, Barclays Capital (Cayman) Limited ("**BCCL**") (each in its capacity as an issuer, an "**Issuer**" and, together, where relevant, the "**Issuers**").

This Supplementary Prospectus constitutes a base prospectus supplement in respect of the Base Prospectuses 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.

The purpose of this Supplementary Prospectus is to:

- (a) incorporate by reference into each Base Prospectus, to the extent provided below, the Joint Annual Report and the Interim Management Statement (each as defined below);
- (b) disclose certain significant new factors relating to the Bank and the Group, being developments relating to Payment Protection Insurance claims against the Bank; and
- (c) add a new risk factor in each Base Prospectus in connection with the Payment Protection Insurance claims against the Bank.

Terms defined in the Base Prospectuses shall, unless the context otherwise requires, have the same meaning when used in this Supplementary Prospectus. This Supplementary Prospectus is supplemental to, and should be read in conjunction with each Base Prospectus and other supplements to the relevant Base Prospectus. To the extent that there is any inconsistency between (a) any statement in this Supplementary Prospectus or any statement incorporated by reference into each of the Base Prospectuses by this Supplementary Prospectus and (b) any other statement in, or incorporated by reference in any Base Prospectus, the statements in (a) above shall prevail.

The Issuers accept responsibility for the information contained in this Supplementary Prospectus and declare 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 each of the Base Prospectuses which is capable of affecting the assessment of the securities issued under the Programmes (as defined in the schedule hereto) has arisen or been noted, as the case may be, since the publication of each of the Base Prospectuses (as supplemented at the date hereof) issued by the Issuers.

This Supplementary Prospectus has been approved by the United Kingdom Financial Services Authority (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 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 Programmes.

1. Incorporation of Information by Reference into the Base Prospectuses

The following document which has been previously published and approved by the FSA or filed with it, shall, by virtue of this Supplementary Prospectus, be incorporated by reference into each of the Base Prospectuses:

- the joint Annual Report of Barclays PLC and Barclays Bank PLC, as filed with the U.S. Securities and Exchange Commission 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 is not relevant to investors and shall not be deemed to be incorporated by reference into the Base Prospectuses; and
- 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 (the “**Interim Management Statement**”).

2. Payment Protection Insurance (“PPI”)

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

3. Change in Risk Factors contained in the Base Prospectuses

In connection with the developments relating to PPI described in paragraph 2 above, the following new risk factor is incorporated in the “Risk Factors” section in each Base Prospectus:

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

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.

Barclays Capital

The date of this Supplementary Prospectus is 10 May 2012.

SCHEDULE

List of “Base Prospectuses” and “Programmes” (each being a “Base Prospectus”)

1. The Base Prospectus dated 5 August 2011 in connection with the Global Structured Securities Programme for the issuance of structured Notes, Warrants and Certificates as supplemented on 7 November 2011, 14 December 2011, 4 January 2012 and 26 March 2012 (the “GSSP Base Prospectus”).
2. The Base Prospectus dated 9 February 2012 in connection with the iPath® VSTOXX® Mid-Term Programme for the issuance of iPath® VSTOXX® Mid-Term Futures Total Return Exchange Traded Notes as supplemented on 26 March 2012.
3. The Base Prospectus dated 9 February 2012 in connection with the iPath® VSTOXX® Short-Term Programme for the issuance of iPath® VSTOXX® Short-Term Futures Total Return Exchange Traded Notes as supplemented on 26 March 2012.
4. The Base Prospectus dated 9 February 2012 in connection with the iPath® S&P 500 VIX Programme for the issuance of senior, unsecured, unsubordinated, zero-coupon, S&P 500 VIX futures index linked, exchange traded notes as supplemented on 26 March 2012.
5. The Base Prospectus dated 9 February 2012 in connection with the iPath® S&P GSCI® Programme for the issuance of iPath® S&P GSCI® Commodity Index Linked Exchange Traded Notes as supplemented on 26 March 2012.
6. The Base Prospectus dated 9 February 2012 in connection with the iPath® DJ-UBS Programme® for the issuance of iPath® Dow Jones-UBS Commodity IndexSM Linked Exchange Traded Notes as supplemented on 26 March 2012.