

Report Prepared On: 10/25/12

Structured Product Details

Name	Yield Optimization Notes with Contingent Protection linked to UnitedHealth Group, Inc.
Issue Size	\$509,348
Issue Price	\$32.84
Term	6 Months
Annualized Coupon	9.50%
Pricing Date	March 29, 2010
Issue Date	March 31, 2010
Valuation Date	September 24, 2010
Maturity Date	September 30, 2010
Issuer	Barclays
CDS Rate	39.8 bps
Swap Rate	0.44%
Reference Asset	UnitedHealth Group, Inc.'s stock
Initial Level	\$32.84
Conversion Price	\$32.84
Trigger Price	\$26.27
Dividend Rate	0.09%
Implied Volatility	33.48%
Delta¹	0.38
Fair Price at Issue	\$32.34
Realized Return	9.90%
CUSIP	06740H336
SEC Link	www.sec.gov/Archives/edgar/data/312070/000119312510071394/d424b2.htm

Yield Optimization Notes with Contingent Protection linked to UnitedHealth Group, Inc.

Description

Barclays issued \$509,348 of Yield Optimization Notes with Contingent Protection linked to UnitedHealth Group, Inc. on March 31, 2010 at \$32.84 per note.

These notes are Barclays-branded single observation reverse convertibles. Single observation reverse convertibles pay periodic interest coupons and at maturity convert into shares of the reference security if the price of the reference security at the notes' maturity is below the trigger price determined when the notes were issued.

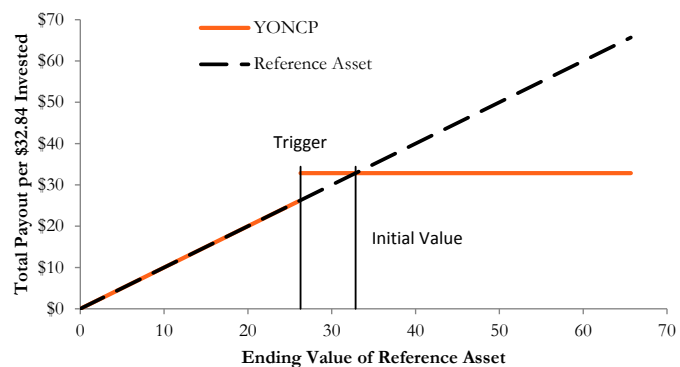
These 6-month notes pay monthly coupons at an annualized rate of 9.50%. In addition to the monthly coupons, on September 30, 2010 investors will receive the market value of one share of UnitedHealth Group, Inc.'s stock if on September 24, 2010 UnitedHealth Group, Inc.'s stock closes below \$26.27 (80% of UnitedHealth Group, Inc.'s stock price on March 29, 2010). Otherwise, investors will receive the \$32.84 face value per note.

Valuation

This Barclays single observation reverse convertible linked to UnitedHealth Group, Inc.'s stock can be valued as a combination of a note from Barclays and a short European out-of-the-money cash-or-nothing put option, and a short European out-of-the-money put option on UnitedHealth Group, Inc.'s stock. For reasonable valuation inputs this note was worth \$32.34 per \$32.84 when it was issued on March 31, 2010 because investors were effectively being paid only \$1.42 for giving Barclays options which were worth \$1.92.

There is no active secondary market for most structured products. Structured products, including this note, therefore are much less liquid than simple stocks, bonds, notes and mutual funds. Investors are likely to receive less than the structured product's estimated market value if they try to sell the structured product prior to maturity. Our valuations do not incorporate this relative lack of liquidity and therefore should be considered an upper bound on the value of the structured product.

Payoff Curve at Maturity



The payoff diagram shows the final payoff of this note given UnitedHealth Group, Inc.'s stock price (horizontal axis). For comparison, the dashed line shows the payoff if you invested in UnitedHealth Group, Inc.'s stock directly.

Related Research

Research Papers:

www.slcg.com/research.php

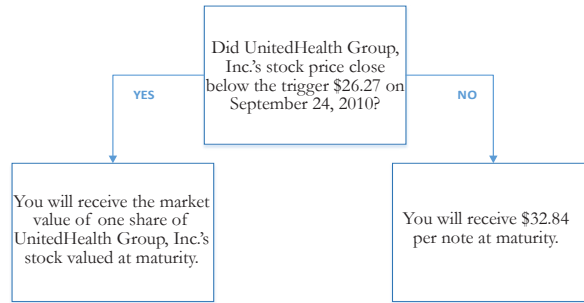
- "Are Structured Products Suitable for Retail Investors?" December 2006.
- "Structured Products in the Aftermath of Lehman Brothers," November 2009.
- "What TiVo and JP Morgan Teach Us about Reverse Convertibles," June 2010.

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Principal Payback Table

UnitedHealth Group, Inc.'s Stock	Note Payoff
\$0.00	\$0.00
\$3.28	\$3.28
\$6.57	\$6.57
\$9.85	\$9.85
\$13.14	\$13.14
\$16.42	\$16.42
\$19.70	\$19.70
\$22.99	\$22.99
\$26.27	\$32.84
\$29.56	\$32.84
\$32.84	\$32.84
\$36.12	\$32.84
\$39.41	\$32.84
\$42.69	\$32.84
\$45.98	\$32.84
\$49.26	\$32.84

Maturity Payoff Diagram



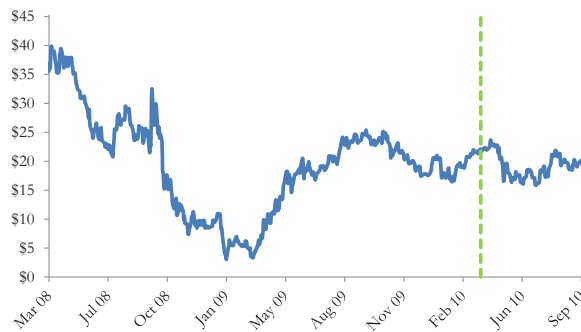
The contingent payoffs of this Yield Optimization Note with Contingent Protection.

Analysis

This single observation reverse convertible's 9.50% coupon rate is higher than the yield Barclays paid on its straight debt but, in addition to Barclays's credit risk, investors bear the risk that they will receive shares of UnitedHealth Group, Inc.'s stock when those shares are worth substantially less than the face value of the note at maturity.

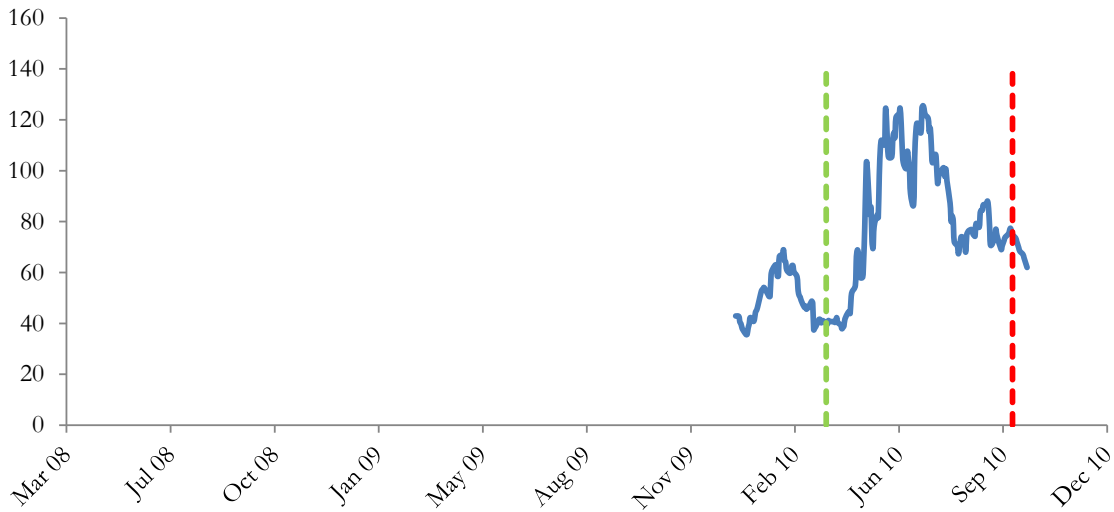
Investors purchasing these reverse convertibles effectively sell put options to Barclays and post the note's issue price as collateral to secure satisfaction of the investors' obligations under the option contracts. Barclays pays investors a "coupon" that is part payment for the put options and part interest on the investors' posted collateral. This reverse convertible is fairly priced if and only if the difference between the reverse convertible's "coupon rate" and interest paid on Barclays's straight debt equals the value of the put option investors are giving to Barclays. Whether this reverse convertible is suitable or not is identically equivalent to whether selling put options on the reference stock at the option premium being paid by Barclays was suitable for the investor.

Barclays's Stock Price



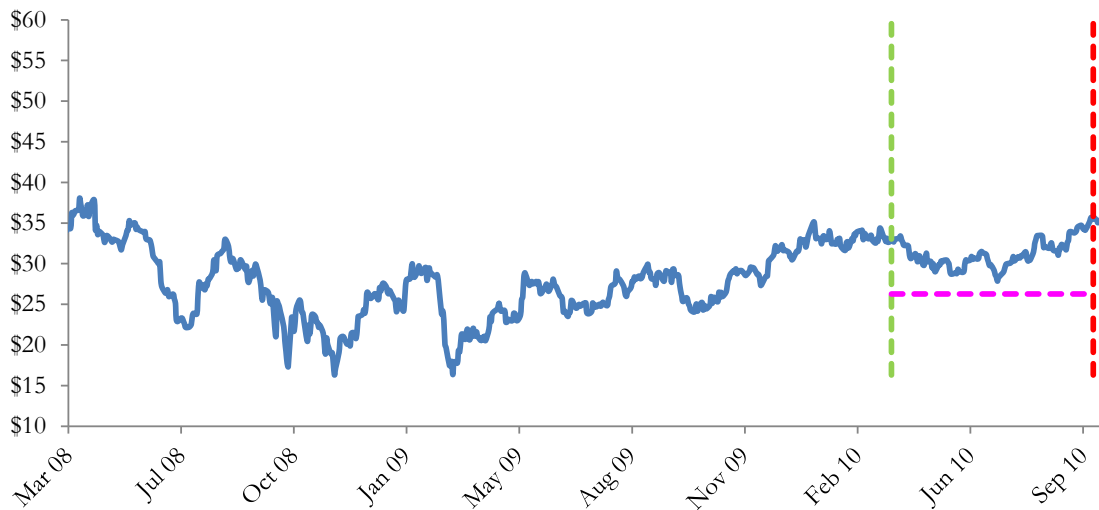
The graph above shows the adjusted closing price of the issuer Barclays for the past several years. The stock price of the issuer is an indication of the financial strength of Barclays. The adjusted price shown above incorporates any stock split, reverse stock split, etc.

Barclays's CDS Rate



Credit default swap (CDS) rates are the market price that investors require to bear credit risk of an issuer such as Barclays. CDS rates are usually given in basis points (bps). One basis point equals 0.01%. Higher CDS rates reflect higher perceived credit risk, higher required yields, and therefore lower market value of Barclays's debt, including outstanding Yield Optimization Note with Contingent Protection. Fluctuations in Barclays's CDS rate impact the market value of the notes in the secondary market.

UnitedHealth Group, Inc.'s Stock Price

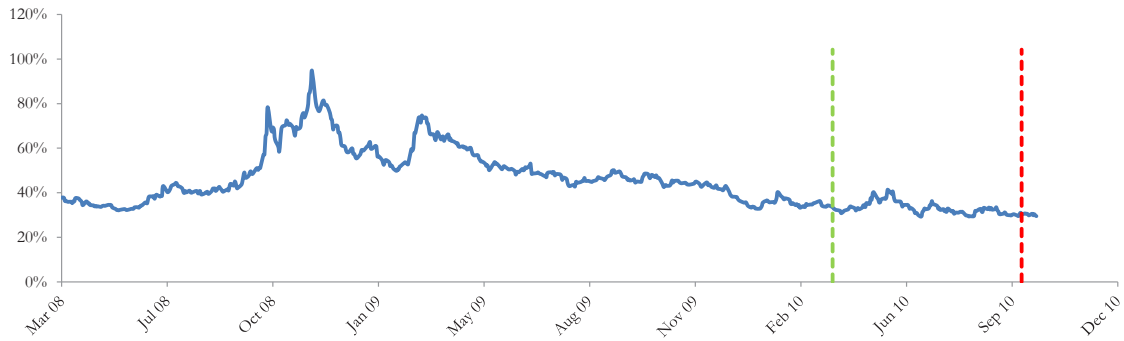


The graph above shows the historical levels of UnitedHealth Group, Inc.'s stock for the past several years. The final payoff of this note is determined by UnitedHealth Group, Inc.'s stock price at maturity. Higher fluctuations in UnitedHealth Group, Inc.'s stock price correspond to a greater uncertainty in the final payout of this Yield Optimization Note with Contingent Protection.

Realized Payoff

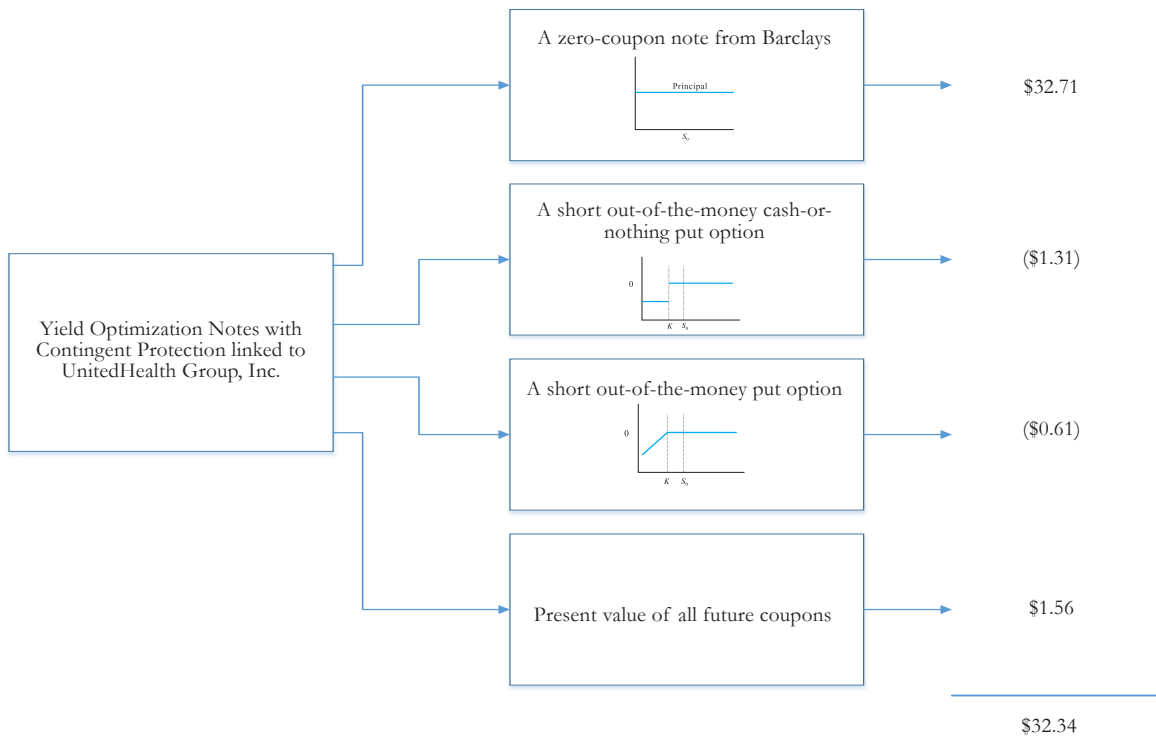
This note matured on September 30, 2010 and investors received \$32.84 per note.

Reference Asset UnitedHealth Group, Inc.'s Stock's Implied Volatility



The annualized implied volatility of UnitedHealth Group, Inc.'s stock on March 29, 2010 was 33.48%, meaning that options contracts on UnitedHealth Group, Inc.'s stock were trading at prices that reflect an expected annual volatility of 33.48%. The higher the implied volatility, the larger the expected fluctuations of UnitedHealth Group, Inc.'s stock price and of the Note's market value during the life of the Notes.

Decomposition of this Yield Optimization Note with Contingent Protection



This note can be decomposed into different components, and each component can be valued separately. The chart above shows the value of each component of this Yield Optimization Note with Contingent Protection.

1. Delta measures the sensitivity of the price of the note to the UnitedHealth Group, Inc.'s stock price on March 29, 2010.
2. CDS rates can be considered a measure of the probability that an issuer will default over a certain period of time and the likely loss given a default. The lower the CDS rate, the lower the default probability. CDS rate is given in basis points (1 basis point equals 0.01%), and is considered as a market premium, on top of the risk-free rate, that investors require to insure against a potential default.
3. Fair price evaluation is based on the Black-Scholes model of the UnitedHealth Group, Inc.'s stock on March 29, 2010.
4. Calculated payout at maturity is only an approximation, and may differ from actual payouts at maturity.
5. Our evaluation does not include any transaction fees, broker commissions, or liquidity discounts on the notes.