

**Supplement Number 2 dated 1st November, 2011
to the Base Prospectus dated 22nd June, 2011**



BARCLAYS PLC
(incorporated with limited liability in England)

BARCLAYS BANK PLC
(incorporated with limited liability in England and Wales)

as Issuers

£60,000,000,000
Debt Issuance Programme

This base prospectus supplement (the "**Supplement**") is supplemental to, forms part of and must be read in conjunction with, the base prospectus dated 22nd June, 2011 as supplemented by the supplement dated 3rd August, 2011 ("Supplement No. 1") (as so supplemented, the "Base Prospectus") prepared by Barclays PLC and Barclays Bank PLC (the "Issuers") with respect to their Debt Issuance Programme (the "Programme"). This Supplement constitutes a supplementary prospectus in respect of the Base Prospectus for the Issuers for the purposes of Section 87G of the Financial Services and Markets Act 2000.

Terms defined in the Base Prospectus shall, unless the context otherwise requires, have the same meaning when used in this Supplement. The Supplement is supplemental to, and shall be read in conjunction with, the Base Prospectus and other supplements to the Base Prospectus issued by the Issuers.

This Supplement has been approved by the United Kingdom Financial Services Authority (the "**FSA**"), which is the United Kingdom competent authority for the purposes of Directive 2003/71/EC (the "**Prospectus Directive**") and relevant implementing measures in the United Kingdom, as a base prospectus supplement issued in compliance with the Prospectus Directive and relevant implementing measures in the United Kingdom.

This Supplement has been prepared in order to (a) make amendments to reflect the registration of certain rating agencies; (b) incorporate the unaudited Interim Management Statement of the Company in respect of the nine months ended 30th September, 2011, the capitalisation and indebtedness table of the Bank and its consolidated subsidiaries as at 30th June, 2011, and the capitalisation and indebtedness table of the Company and the Group as at 30th June, 2011 in financial information incorporated by reference; (c) update the risk factor entitled "*Regulatory changes*" in light of recent developments; (d) update the disclosure regarding the credit ratings of the Issuers and the sub-sections entitled "*Acquisitions, Disposals and Recent Developments*", "*Competition and Regulatory Matters*" and "*Directors*" in the section entitled "*The Issuers and the Group*" in the light of recent developments; (e) make certain changes to the section entitled "*General Information*" in the light of recent developments in connection with the Lehman and American Depositary Receipts litigation; and (f) update appropriate references to the documents incorporated by reference.

The credit ratings in this Base Prospectus have been issued by Moody's Investors Service Ltd., Standard & Poor's Credit Market Services Europe Limited and Fitch Ratings Limited, which are established in the European Union and are registered under Regulation (EC) No. 1060/2009 of the European Parliament and of the Council of 16th September, 2009 on credit rating agencies.

IMPORTANT NOTICES

The Issuers accept responsibility for the information contained in this Supplement and declare that, having taken all reasonable care to ensure that such is the case, the information contained in this Supplement is, to the best of their knowledge, in accordance with the facts and contains no omission likely to affect its import.

To the extent that there is any inconsistency between (a) any statement in this Supplement or any statement incorporated by reference into the Base Prospectus by this Supplement and (b) any other statement in, or incorporated by reference into, the Base Prospectus, the statements in (a) above will prevail.

Save as disclosed in this Supplement, no significant new factor, material mistake or inaccuracy relating to the information included in the Base Prospectus which is capable of affecting the assessment of the Notes issued under the Programme has arisen or been noted, as the case may be, since the publication of the Base Prospectus.

If documents which are incorporated by reference into this Supplement themselves incorporate any information or other documents therein, either expressly or implicitly, such information or other documents will not form part of this Supplement for the purposes of the Prospectus Directive except where such information or other documents are specifically incorporated by reference into the Supplement.

Investors should be aware of their rights under Section 87Q(4) of the Financial Services and Markets Act 2000.

The purposes of this Supplement are:

1. **To amend the penultimate paragraph on the front cover of the Base Prospectus by replacing the words "have applied for registration" with "are registered" in line 3 of the penultimate paragraph and deleting the words ", although notification of the corresponding registration decision has not yet been provided by the relevant competent authority" in lines 4 to 5 of the penultimate paragraph.**
2. **To amend the section entitled "Information Incorporated by Reference" at pages 7 and 8 of the Base Prospectus (as amended by Supplement No. 1) by replacing paragraphs (d) and (e) with the following new paragraphs (d), (e) and (f):**

"(d) the unaudited Interim Management Statement of the Company as filed with the SEC on Form 6-K on 31st October, 2011 with Film Number 111168098 in respect of the nine months ended 30th September, 2011 (the "**Interim Management Statement**");

(e) the capitalisation and indebtedness table of the Bank and its consolidated subsidiaries as at 30th June, 2011 as filed with the SEC on Form 6-K on Film Number 111168098 as Exhibit 99.3 on 31st October, 2011 (the "**Bank's Capitalisation and Indebtedness Table**");

(f) the capitalisation and indebtedness table of the Company and the Group as at 30th June, 2011 as filed with the SEC on Form 6-K on Film Number 111168098 as Exhibit 99.2 on 31st October, 2011, (the "**Company's Capitalisation and Indebtedness Table**")"; and"

3. **To delete in its entirety the paragraph under the sub-heading "*The Independent Commission on Banking (the "ICB")*" in the risk factor entitled "*Regulatory changes*" on page 19 of the Base Prospectus and replace it with the following:**

"The ICB was charged by the UK Government with reviewing the UK banking system and its findings were published on 12th September, 2011. The ICB recommended (among other things) that: (i) the UK and EEA retail banking activities of a UK bank or building society should be placed in a legally distinct, operationally separate and economically independent entity (so-called "ring-fencing"); and (ii) the loss-absorbing capacity of ring-fenced banks and UK-headquartered global systemically important banks (such as the Bank) should be increased to levels higher than the Basel III proposals. Although it was not (as at the date of this Base Prospectus) possible to predict which of the ICB recommendations will be implemented by the UK Government and the manner of their implementation, changes to the structure of UK banks and an increase in the amount of loss-absorbing capital issued by UK banks may have a material impact on the Bank's and the Group's results and financial condition."

4. **To amend the fourth and fifth paragraphs of the section entitled "The Issuers and the Group" on page 73 of the Base Prospectus by inserting the words "(rating watch negative)" before the words "by Fitch Ratings Limited" in lines 2 and 4 of the fourth paragraph and in lines 2 and 4 of the fifth paragraph.**
5. **To amend the text under the heading "*Acquisitions, Disposals and Recent Developments*" in the section entitled "*The Issuers and the Group*" on page 73 of the Base Prospectus by inserting, before the paragraph sub-headed "*Acquisition of Egg's UK credit card assets*", the following paragraphs:**

"Devonshire Trust ("Devonshire")

On 13th January, 2009, the Bank commenced an action in the Ontario Superior Court seeking an order that its early terminations earlier that day of two credit default swaps under an ISDA Master Agreement with Devonshire, an asset-backed commercial paper conduit trust, were valid. On the same day, Devonshire purported to terminate the swaps on the ground that the Bank had failed to provide liquidity support to Devonshire's commercial paper when required to do so. On 7th September, 2011, the court ruled that the Bank's early terminations were invalid, Devonshire's early terminations were valid and, consequently, Devonshire was entitled to receive back from the Bank cash collateral of approximately C\$533 million together with accrued interest thereon. The Bank will be appealing the court's decision.

US Federal Housing Finance Agency ("FHFA") and other residential mortgage-backed securities ("RMBS") litigation

The FHFA, acting as conservator for two U.S. government sponsored enterprises, Fannie Mae and Freddie Mac (collectively, the "GSEs"), filed lawsuits against 17 financial institutions in connection with the GSEs' purchases of RMBS. The lawsuits allege, among other things, that offering materials pursuant to which the GSEs purchased the RMBS contained materially false and misleading statements and/or omissions regarding the residential mortgages that funded the securities. The Bank and/or certain of its affiliates or former employees are named in two of these lawsuits, relating to sales between 2005 and 2007 of RMBS in which Barclays Capital Inc. ("BCI") was lead or co-lead underwriter. Both complaints demand, among other things, (1) rescission and recovery of the consideration paid for the RMBS and (2) recovery for the GSEs' alleged monetary losses arising out of their ownership of the RMBS. The complaints are similar to other civil actions previously filed against the Bank and/or certain of its affiliates by other plaintiffs, including the Federal Home Loan Bank of Seattle, Federal Home Loan Bank of Boston, Federal Home Loan Bank of Chicago and Cambridge Place Investment Management, Inc., relating to their purchases of RMBS. The Bank considers that the claims against it are without merit and intends to defend them vigorously. As at the date of this Base Prospectus, it was not possible to provide a meaningful estimate of the Bank's possible loss in relation to these matters, including the effect that they might have upon operating results in any particular financial period.

6. **To delete in its entirety the second paragraph under the sub-heading "*Competition and Regulatory Matters -- Regulatory change*" in the section entitled "*The Issuers and the Group*" on page 74 of the Base Prospectus and replace it with the following:**

"In the UK, the FSA's current responsibilities are to be reallocated between the Prudential Regulatory Authority (a subsidiary of the Bank of England) and a new Financial Conduct Authority. In addition, the ICB completed its review of the UK banking system and published its final report on 12th September, 2011. The ICB recommended (among other things) that: (i) the UK and EEA retail banking activities of a UK bank or building society should be placed in a legally distinct, operationally separate and economically independent entity (so-called "ring-fencing"); and (ii) the loss-absorbing capacity of ring-fenced banks and UK-headquartered global systemically important banks (such as the Bank) should be increased to levels higher than the Basel III proposals. The UK Government will respond to the ICB proposals by the end of 2011 and has indicated that any changes to the UK banking system will be completed by 1st January, 2019."

7. **To delete the footnote at the end of the first paragraph under the heading "*Directors*" in the section entitled "*The Issuers and the Group*" on page 75 of the Base Prospectus.**
8. **To remove Sir Richard Broadbent from the table under the heading "*Directors*" in the section entitled "*The Issuers and the Group*" on page 76 of the Base Prospectus.**
9. **To insert the words "Senior Independent Director and" before the words "Non-Executive Director" in Sir Michael Rake's entry in the table under the heading "*Directors*" in the section entitled "*The Issuers and the Group*" on page 76 of the Base Prospectus.**
10. **To add the word "and" after the word "motions" in the fifth sentence in the first sub-paragraph of paragraph 3 in the section entitled "*General Information*" on page 99 of the Base Prospectus.**
11. **To delete the following which begins in the fifth to last sentences in the first sub-paragraph of paragraph 3 in the section entitled "*General Information*" on page 99 of the Base Prospectus:**

". 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"

12. **To replace the date "31st December, 2010" with the date "30th June, 2011" in the last two sentences in the first sub-paragraph of paragraph 3 in the section entitled "General Information" on page 99 of the Base Prospectus.**
13. **To replace the figures "£2.0 billion" with "£1.9 billion" and "£0.6 billion" with "£0.7 billion", respectively, in the last two sentences in the first sub-paragraph of paragraph 3 in the section entitled "General Information" on page 99 of the Base Prospectus.**
14. **To delete the last two sentences of the second sub-paragraph of paragraph 3 in the section entitled "General Information" on page 99 of the Base Prospectus and replace it with the following:**

"On 15th July, 2011, the Court entered final Orders implementing its Opinion. BCI and the Trustee have each filed a notice of appeal from the Court's adverse rulings on the Contract Claims. LBHI and the Committee have withdrawn their notices of appeal from the Court's ruling on the Rule 60 Claims, rendering the Court's Order on the Rule 60 Claims final."
15. **To delete in its entirety the third sub-paragraph of paragraph 3 in the section entitled "General Information" on pages 99 to 100 of the Base Prospectus and replace it with the following:**

"If the final Orders relating to the Contract Claims were to be unaffected by future proceedings, the Bank estimates that, after taking into account the effective provision of £0.7 billion, its loss would be approximately £2.7 billion. Any such loss, however, was not (as at the date of this Base Prospectus) considered probable and the Bank is satisfied with the current level of provision."
16. **To delete in its entirety the last sub-paragraph of paragraph 3 in the section entitled "General Information" on pages 99 to 100 of the Base Prospectus and replace it with the following:**

"In addition, LBHI has been pursuing a claim for approximately U.S.\$500 million relating to bonuses that BCI was allegedly obligated to pay to former Lehman employees. On 14th September, 2011, the Court issued a decision dismissing that claim and entered a final Order to that effect on 21st September, 2011. LBHI has stipulated that it will not appeal that decision, rendering the Order dismissing that claim final."
17. **To delete in its entirety the last sentence in the first sub-paragraph of paragraph 4 in the section entitled "General Information" on page 100 of the Base Prospectus and replace it with the following:**

"On 29th June, 2011, the plaintiffs filed a notice of appeal from both decisions (the grant of the defendants' motion to dismiss and the denial of the plaintiffs' motion for reconsideration) to the United States Court of Appeals for the Second Circuit."
18. **To amend the section entitled "General Information" at page 101 of the Base Prospectus by replacing paragraph 11(ii) with the following new paragraph:**

"(ii) the Joint Annual Report, the 2009 Bank Annual Report, the 2010 Bank Annual Report, the Interim Results Announcement, the Interim Management Statement, the Bank's Capitalisation and Indebtedness Table and the Company's Capitalisation and Indebtedness Table;"

1st November, 2011