



United Kingdom
Debt Management
Office

AUCTION OF £2,250,000,000

1³/₄% TREASURY GILT 2037

(ISIN CODE GB00BZB26Y51)

ON A FULLY PAID BID PRICE BASIS

ON 11 JANUARY 2018

PROSPECTUS

AUCTION OF £2,250,000,000

1³/₄% TREASURY GILT 2037

ON A FULLY PAID BID PRICE BASIS ON 11 JANUARY 2018
INTEREST PAYABLE HALF-YEARLY ON 7 MARCH AND 7 SEPTEMBER

PAYABLE IN FULL WITH APPLICATION

| | | |
|---|--------------------------------|---|
| | With a competitive bid: | Price bid (in accordance with paragraph 10) |
| With a non-competitive bid by a Gilt-edged Market Maker: | | Non-competitive sale price (in accordance with paragraph 10) |
| With a non-competitive bid by any other applicant: | | £106 per £100 nominal of the Gilt |

Application has been made to the UK Listing Authority for the Gilt to be admitted to the Official List on 12 January 2018. Application has also been made to the London Stock Exchange for the Gilt to be admitted to trading on the London Stock Exchange's regulated market.

Auction of the Gilt

1. THE UNITED KINGDOM DEBT MANAGEMENT OFFICE (the "DMO") invites bids for the above Gilt.

General

2. This prospectus is issued under the arrangements described in the Information Memorandum relating to the Issue, Stripping and Reconstitution of British Government Stock published by the DMO dated January 2017 (the "Information Memorandum"). The terms of the Information Memorandum apply to the above Gilt and to the auction described in this prospectus except where expressly varied.

Maturity

3. The Gilt will be repaid at par on 7 September 2037.

Interest

4. Interest on 1³/₄% Treasury Gilt 2037 is payable half-yearly on 7 March and 7 September. The price payable will include an amount equal to the accrued interest from 7 September 2017, the most recent interest payment date of the Gilt, to 12 January 2018, the settlement date of this auction, at the rate of £0.613950 per £100 nominal of the Gilt. This further issue of the Gilt will rank for the six months' interest payment due on 7 March 2018.

FOTRA exemptions

5. 1³/₄% Treasury Gilt 2037 was first issued on 9 November 2016 and, consequently, the Gilt and the interest payable on it will benefit from the exemptions from United Kingdom taxation in favour of non-resident holders described in paragraph 120 of the Information Memorandum.

Gross payment of interest

6. Interest will be paid without deduction of income tax. However, holders of the Gilt may elect to have UK income tax deducted from interest payments on application to the Registrar, Computershare Investor Services PLC.

Stripping

7. 1¾% Treasury Gilt 2037 may be stripped and holdings of the Gilt reconstituted: the provisions relating to strips contained in the Information Memorandum will therefore apply.

Methods of application

8. Bids may be made on either a competitive or a non-competitive basis in accordance with paragraphs 65 to 96 of the Information Memorandum.

Non-competitive bids: amount payable on application

9. The amount payable on application in the case of a non-competitive bid (except in the case of a non-competitive bid made by a Gilt-edged Market Maker ("GEMM")) is £106 per £100 nominal of the Gilt.

Settlement of competitive bids and GEMMs' non-competitive bids

10. For those competitive bids which are accepted and those non-competitive bids from GEMMs which are accepted, settlement must be effected in accordance with paragraphs 71 and 79 of the Information Memorandum. For these purposes, the latest time and date for CHAPS payments to be sent to the Bank of England is **1.30 PM ON FRIDAY, 12 JANUARY 2018**.

Latest times for receipt of applications

11. Application forms from Approved Group members must be sent to the Registrar, Computershare Investor Services PLC at British Government Stocks (Gilts), Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZW, who is acting on behalf of the DMO, to arrive not later than **10.00 AM ON THURSDAY, 11 JANUARY 2018**; or lodged by hand at the DMO, Eastcheap Court, 11 Philpot Lane, London, EC3M 8UD not later than **10.00 AM ON THURSDAY, 11 JANUARY 2018**. GEMMs may bid by means of the Bloomberg Bond Auction System to the DMO not later than **10.30 AM ON THURSDAY, 11 JANUARY 2018**.

Bids irrevocable

12. Bids will not be revocable between 10.30 am on Thursday, 11 January 2018 and 10.00 am on Tuesday, 16 January 2018.

Post Auction Option Facility

13. The provisions relating to the Post Auction Option Facility contained in the Information Memorandum will apply.



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2 January 2018