

Lloyds Banking Group plc
Form 424B2
June 07, 2013
PROSPECTUS SUPPLEMENT
(to prospectus dated June 7, 2013)

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Lloyds TSB Bank plc
fully and unconditionally guaranteed by
Lloyds Banking Group plc

Retail Notes, Series B

We, Lloyds TSB Bank plc, may offer to sell from time to time our senior unsecured Retail Notes, Series B, which may be issued in one or more tranches from time to time and which we hereinafter refer to as the “notes.” The notes will be fully and unconditionally guaranteed by Lloyds Banking Group plc. The general terms of the notes are described in the section entitled “Description of the Notes and the Guarantees” in this prospectus supplement. The specific terms of any notes that we offer will be determined before each sale and may be described in a separate pricing supplement (a “supplement”). Final terms of the notes will be determined at the time of sale and will be contained in the applicable supplement. The terms in a supplement may add to, vary from and supersede the terms contained in this prospectus supplement. General terms of the notes will include:

- Interest: the notes will bear interest at one or more fixed rates of interest, unless the applicable supplement provides otherwise;
- Interest Payment Frequency: interest on the notes is payable either monthly, quarterly, semiannually or annually on each interest payment date and on the maturity date, as specified in the applicable supplement. Interest will also be paid on the date of redemption or repayment, if a note is redeemed or repurchased prior to maturity;
 - Maturity: the notes will mature more than one year from the date of issue;
 - Redemption Option: the notes may be subject to redemption at our option;
- Survivor’s Option: the notes may contain a provision that requires us, upon request, to redeem the notes prior to maturity following the death of the beneficial owner of the notes. The exercise of a Survivor’s Option will only be permitted if so specified in the applicable supplement and is subject to the limitations described under “Description of the Survivor’s Option” in this prospectus supplement and/or any applicable supplement;
- Denominations: the notes will be issued and sold in denominations of \$1,000 and multiples of \$1,000, unless the applicable supplement provides otherwise;
- Listing: the notes will not be listed or displayed on any U.S. securities exchange or quotation system, unless the applicable supplement provides otherwise;
- Form: the notes will be held in global form by The Depository Trust Company (“DTC”), unless the applicable supplement provides otherwise;
 - Payment Currency: U.S. dollars, unless the applicable supplement provides otherwise.

A supplement may specify that we will issue other types of notes, including, without limitation, floating-rate notes, indexed notes, notes denominated in, or that pay principal or interest in, a currency other than U.S. dollars, amortizing notes, original issue discount notes or exchangeable notes, each as will be further described (as applicable) in any such supplement. These other types of notes are subject to significant risks not associated with a conventional fixed-rate debt security. You should carefully review the additional provisions and risk factors relating to such notes, which will be set forth in the applicable supplement.

Barclays Capital Inc. will act as the selling agent (the “selling agent”) for the notes. We may sell notes to the selling agent as principal for resale at fixed offering prices or through the selling agent as agent using its reasonable best efforts on our behalf. The applicable supplement will disclose the selling agent’s commission or discount, if any.

Investing in the notes involves significant risks. See “Risk Factors” beginning on page S-3 of this prospectus supplement and as incorporated by reference herein.

Any payments due on the notes, including any repayment of principal, will be subject to the creditworthiness of Lloyds TSB Bank plc, as the issuer of the notes, and Lloyds Banking Group, as the guarantor of Lloyds TSB Bank plc's obligations under the notes.

Our notes are unsecured and are not bank deposits. Our notes are not insured or guaranteed by the Federal Deposit Insurance Corporation or any other governmental agency, and involve investment risks.

Neither the Securities and Exchange Commission nor any other regulatory body has approved or disapproved of these notes or passed upon the adequacy or accuracy of this prospectus supplement or the accompanying prospectus. Any representation to the contrary is a criminal offense.

BARCLAYS

Prospectus Supplement dated June 7, 2013

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You should rely only on the information incorporated by reference or provided in this prospectus supplement, the accompanying prospectus and any related supplement. We have not authorized anyone to provide you with different information. We are not offering the securities in any jurisdiction where the offer is not permitted. You should not assume that the information in this prospectus supplement, the accompanying prospectus or any applicable supplement is accurate as of any date other than the date indicated on the cover page of that document.

ABOUT THIS PROSPECTUS SUPPLEMENT

In this prospectus supplement, we use the following terms:

- “we,” “us,” “our,” “Lloyds Bank” and the “issuer” mean Lloyds TSB Bank plc;
- “LBG” and the “guarantor” mean Lloyds Banking Group plc;
- “SEC” refers to the Securities and Exchange Commission;
- “pounds,” “sterling,” “pence,” “£” and “p” refer to the currency of the United Kingdom;
- “dollars” and “\$” refer to the currency of the United States; and
- “euro” and “€” refer to the currency of the member states of the European Union (“EU”) that have adopted the single currency in accordance with the treaty establishing the European Community, as amended.

We have registered the notes and related guarantees on a registration statement on Form F-3 with the SEC under registration no. []. Our Central Index Key, or CIK, on the SEC website is 1167831. We refer to the notes, together with the related guarantees (unless the context requires otherwise), as our “Retail Notes” or our “notes”.

From time to time, we intend to use this prospectus supplement (this “prospectus supplement”), the accompanying prospectus (the “accompanying prospectus” or the “prospectus”), and a related supplement to offer the notes. We may also refer to any supplement as a “term sheet.” From time to time, we may also use one or more free writing prospectuses to offer notes. You should read each of these documents before investing in the notes. You should also read the information contained in the documents identified in “Where You Can Find More Information” in the accompanying prospectus.

This prospectus supplement describes additional terms of the notes, and supplements the description of our debt securities contained in the accompanying prospectus. If the information in this prospectus supplement is inconsistent with the accompanying prospectus, the information in this prospectus supplement will supersede the information in the accompanying prospectus.

The applicable supplement for each offering of notes will contain additional terms of the offering and the specific terms of the notes being offered. A supplement may also add, update, or change information in this prospectus supplement or the accompanying prospectus, including provisions describing the calculation of the amounts due under the notes and the method of making payments under the terms of a note. We will state in the applicable supplement the interest rate or interest rate basis or formula, issue price, any relevant market measures, the maturity date, interest payment dates, redemption, or repayment provisions, if any, and other relevant terms and conditions for each note at the time of issuance. A supplement may also include a discussion of any risk factors or other special additional considerations that apply to a particular type of note. Each applicable supplement can be quite detailed and should always be read carefully.

The applicable supplement, together with the prospectus supplement and the accompanying prospectus, will contain the terms of the notes and will supersede all other oral statements as well as any other written materials including preliminary or indicative pricing terms, correspondence, trade ideas, structures for implementation, sample structures, fact sheets, brochures or other educational materials of ours prior to or contemporaneous with the offering of the notes. You should rely only on the information provided or incorporated by reference in the applicable supplement, this prospectus supplement and the accompanying prospectus. We have not authorized anyone to provide you with

different information, and we take no responsibility for any other information that others may give you.

The applicable supplement, this prospectus supplement and the accompanying prospectus do not constitute an offer to sell or the solicitation of an offer to buy the notes in any jurisdiction in which that offer or solicitation is unlawful. The distribution of the applicable supplement, this prospectus supplement and the accompanying prospectus and the offering of the notes in some jurisdictions may be restricted by law. If you receive the applicable supplement, this prospectus supplement and the accompanying prospectus, you should find out about and observe these restrictions. Persons outside the United States who come into possession of the applicable supplement, this prospectus supplement and the accompanying prospectus must inform themselves about and observe any restrictions relating to the distribution of the applicable supplement, this prospectus supplement and the accompanying

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prospectus and the offering of the notes outside of the United States. The information set forth in the applicable supplement and this prospectus supplement is directed to prospective purchasers who are United States residents. We disclaim any responsibility to advise prospective purchasers who are residents of countries other than the United States of any matters arising under foreign law that may affect the purchase of or holding of, or receipt of payments on, the notes. These persons should consult their own legal and financial advisers concerning these matters.

Any term that is used, but not defined, in this prospectus supplement has the meaning set forth in the accompanying prospectus.

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RISK FACTORS

Your investment in the notes involves significant risks. Your decision to purchase the notes should be made only after carefully considering the risks of an investment in the notes, including those discussed below and in the relevant supplement(s) for the specific notes, with your advisers in light of your particular circumstances. The notes are not an appropriate investment for you if you are not knowledgeable about significant elements of the notes or financial matters in general. You should not purchase the notes unless you understand and know you can bear the risks involved with such an investment. We therefore urge you to consult with your investment, legal, accounting, tax and other advisers before you invest in the notes.

Risks relating to Lloyds Bank and LBG

For a description of the risks associated with Lloyds Bank and LBG and information regarding risks and uncertainties that may materially affect our business and results, see the sections entitled “Operating and Financial Review and Prospects” and “Risk Factors” in LBG’s annual report on Form 20-F for the year ended 2012, which is incorporated by reference in the accompanying prospectus. You should also review the risk factors that will be set forth in other documents filed after the date of this prospectus supplement.

Risks relating to the notes

You are subject to the credit risk of Lloyds Bank and LBG and their credit ratings and credit spreads may adversely affect the value of the notes.

If you invest in the notes, you will be dependent on Lloyds Bank’s ability to pay all amounts due on the notes, and therefore you will be subject to the credit risk of Lloyds Bank and to changes in the market’s view of Lloyds Bank’s creditworthiness. In addition, because the notes are to be fully and unconditionally guaranteed by Lloyds Bank’s parent company, LBG, you will be dependent on LBG’s ability to pay all amounts due on the notes in the event that Lloyds Bank fails to make any payment or delivery required by the terms of the notes. If Lloyds Bank and LBG were to default on their respective payment obligations, you may not receive any amounts owed to you under the notes and you could lose your entire investment. The credit ratings of Lloyds Bank and LBG are an assessment by rating agencies of their ability to pay their obligations, including those under the notes. Any actual or anticipated decline in Lloyds Bank’s and LBG’s credit ratings, or increase in the credit spreads charged by the market for taking credit risk, is likely to adversely affect the value of the notes. However, because the return on the notes is dependent upon factors in addition to Lloyds Bank’s and LBG’s credit ratings, an improvement in their credit ratings will not necessarily increase the value of the notes and will not reduce market risk and other investment risks related to the notes.

The issue price of the notes has certain built-in costs, including the selling agent’s commission and our cost of hedging, both of which are expected to be reflected in secondary market prices.

In determining the economic terms of the notes, and consequently the potential return on the notes to you, we will take into account compensation to the selling agent for distributing the notes, which will be reflected in the selling agent’s commission described on the cover of the applicable supplement, as well as certain costs associated with hedging our obligations under the notes. The issue price of the notes will reflect these factors. As a result, the value of the notes on the issue date is expected to be less than the issue price. Assuming no change in market conditions or any other relevant factors, the price, if any, at which the selling agent or another purchaser is willing to purchase the notes in secondary market transactions will likely be less than the issue price. This is due to, among other things, the fact that the issue price includes, and secondary market prices are likely to exclude, the selling agent’s commission with respect to, and the hedging costs associated with, the notes. The cost of hedging includes the projected profit that may be realized in consideration for assuming the risks inherent in managing the hedging transactions. These secondary market prices are also likely to be reduced by the costs of unwinding the related hedging transactions. A profit may be

realized from the expected hedging activity even if investors do not receive a favorable investment return under the terms of the notes or in any secondary market transaction. In addition, any secondary market prices may differ from values determined by pricing models used by the selling agent, as a result of dealer discounts, markups or other transaction costs.

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Unless the applicable supplement provides otherwise, the notes will not be listed or displayed on any securities exchange or quotation system, and there may be little or no secondary market for the notes.

Unless the applicable supplement provides otherwise, the notes will not have an established trading market when issued and the notes will not be listed or displayed on any securities exchange or quotation system. Accordingly, there may be little or no secondary market for the notes and, as such, information regarding independent market pricing for the notes may be very limited or nonexistent. Even if there is a secondary market, it may not provide enough liquidity to allow you to trade or sell the notes easily. We, the selling agent and/or its affiliates may purchase and sell the notes from time to time in the secondary market, but we, the selling agent and/or its affiliates are not obligated to do so. If we, the selling agent and/or its affiliates make such a market in the notes, we, the selling agent and/or any such affiliate may stop doing so at any time and for any reason without notice. Because other dealers are not likely to make a secondary market for the notes, the prices at which you may be able to trade the notes will probably depend on the price, if any, at which we, the selling agent and/or its affiliates may be willing to buy the notes. It is expected that transaction costs in any secondary market would be high and, as a result, the difference between bid and asked prices for the notes in any secondary market could be substantial. There is no assurance that there will be a secondary market for any of the notes. Accordingly, you should be willing to hold the notes until the maturity date, and you may incur a loss if you sell the notes prior to the maturity date or any early redemption date, if applicable.

The market value of the notes prior to maturity will be influenced by many unpredictable factors, and may be less than the issue price.

The market value of the notes may be less than the issue price of the notes. The market value of the notes may be affected by a number of factors that may either offset or magnify each other, including the following:

- the time remaining to maturity of the notes;
- the aggregate amount outstanding of the relevant notes;
- our right to redeem the notes, if applicable;
- the level, direction, and volatility of market interest and yield rates generally;
- geopolitical conditions and economic, financial, political, regulatory, agricultural, judicial or other events that affect the markets generally;
- the supply and demand for the notes in the secondary market, if any; or
- the actual or perceived creditworthiness of Lloyds Bank, as the issuer of the notes, and LBG, as the guarantor of Lloyds Bank's obligations under the notes, including actual or anticipated downgrades in LBG's or Lloyds Bank's credit ratings.

Some or all of these factors may influence the price that you will receive if you sell the notes prior to the maturity date or any early redemption date, if applicable, in the secondary market, if any. If you sell the notes before the maturity date or any early redemption date, if applicable, the price that you receive may be less, and may be substantially less, than the issue price or the price which you paid.

It is possible that you may receive below-market interest in respect of one or more interest payment dates.

If you invest in notes that accrue interest at a fixed rate, there can be no guarantee that the interest you will receive on one or more of the interest payment dates will be greater than the market interest rate on such dates. In the case of

notes subject to redemption at our option, we are not likely to redeem the notes when market interest rates are higher than the applicable fixed interest rate on the notes. We have no control over a number of factors that may affect market interest rates, including geopolitical conditions and economic, financial, political, regulatory, agricultural, judicial or other events that affect the markets generally and that are important in determining the existence, magnitude and longevity of these risks and their results. You should have a view as to the interest rates on

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the notes (as specified on the cover of the applicable supplement) and their levels relative to market interest rates before investing, and you must be willing to forgo guaranteed market interest rates for all or most of the term of the notes.

There may be potential conflicts of interest between investors in the notes and us and our affiliates and the selling agent and its affiliates.

We and our affiliates and the selling agent and its affiliates play a variety of roles in connection with the issuance of the notes, including hedging our obligations under the notes. Trading activities related to short-term and long-term interest rate swaps and other instruments that may affect interest rates have been entered into or may be entered into on behalf of us, our affiliates, the selling agent, its affiliates or their respective customers, that are not for the account of the investors in the notes or on their behalf. In particular, as described below under “Use of Proceeds; Hedging,” we, the selling agent and/or its affiliates may hedge our obligations under the notes by purchasing securities, futures, options or other derivative instruments, and we may adjust these hedges by, among other things, purchasing or selling securities, futures, options or other derivative instruments at any time. These trading activities may present a conflict between the investors’ interests in the notes and the interests we, our affiliates and the selling agent and its affiliates will have in each of their respective proprietary accounts and in facilitating transactions, including block trades and options and other derivatives transactions, for their respective customers and in accounts under each of their respective management. In performing these activities, the economic interests of us and our affiliates and the selling agent and its affiliates are potentially adverse to your interests as an investor in the notes. It is possible that we, the selling agent and/or its affiliates could receive substantial returns from these hedging activities while the value of the notes declines.

In addition, an affiliate of the selling agent will act as determination agent with respect to any requests to exercise the Survivor’s Options under the notes and will make determinations regarding the eligibility or validity of any exercise of a Survivor’s Option, and may, in the future, serve as calculation agent with respect to certain issuances of notes. The exercise of this discretion by an affiliate of the selling agent can adversely affect the value of the notes and may present a conflict of interest between the investor’s interest in the notes and the interest of the selling agent.

Potential US Foreign Account Tax Compliance Act withholding may apply after 31 December 2016.

Under certain provisions of the Internal Revenue Code (commonly referred to as “FATCA”) as well as certain intergovernmental agreements between the United States and certain other countries (including the United Kingdom), together with expected local country implementing legislation, certain payments made in respect of the Notes after December 31, 2016 may be subject to withholding (“FATCA withholding”).

Provided that the notes are not treated as equity for US federal income tax purposes, and are not materially modified on or after the later of January 1, 2014 and the date that is six months after the date on which final Treasury regulations defining the term “foreign passthru payments” are issued (the “Grandfathering Date”), no payment on a note issued on or before, and not materially modified after, the Grandfathering Date will be subject to FATCA withholding. With respect to notes that are treated as equity for US federal income tax purposes or are issued, or materially modified, after the Grandfathering Date, Lloyds Bank (or a relevant intermediary) may be required to impose FATCA withholding on payments in respect of the notes, to the extent that such payments are “foreign passthru payments,” made after December 31, 2016 to any recipient (including an intermediary) that has not entered into an agreement with the Internal Revenue Service (the “IRS”) pursuant to FATCA or otherwise established an exemption from FATCA, including as a result of a failure to provide certain information and forms or other documentation requested by Lloyds Bank, LBG or any relevant intermediary.

The United States has entered into intergovernmental agreements with the United Kingdom and certain other jurisdictions and is in the process of negotiating intergovernmental agreements with many other countries. It is not yet

certain how the United States and these jurisdictions will address “foreign passthru payments” or if withholding will be required at all under such agreements.

In the event that any amount of FATCA withholding is required from a payment on a note, no additional amounts will be paid by Lloyds Bank, LBG, any paying agent or the trustee and withheld amounts will be treated as

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paid for all purposes under the notes. If any FATCA withholding is imposed by the United States, a beneficial owner of notes that is not a foreign financial institution may be entitled to a refund of amounts withheld by filing a US federal income tax return. A beneficial owner of notes that is a foreign financial institution will be able to obtain a refund of FATCA withholding imposed by the United States only to the extent an applicable income tax treaty with the United States entitles it to an exemption from, or reduced rate of, tax on the payment that was subject to FATCA withholding. Prospective purchasers and beneficial owners of notes should consult their tax advisers as to how these rules may apply to payments they receive under the notes and their ability to obtain a refund of any FATCA withholding.

We and our affiliates and the selling agent and its affiliates have published or may in the future publish reports, express opinions or provide recommendations and engage in other transactions that could adversely affect the value of the notes.

We and our affiliates and the selling agent and its affiliates have published or may in the future publish reports from time to time on financial markets and other matters that may influence the value of the notes or express opinions or provide recommendations that are inconsistent with purchasing or holding the notes. Any such reports, opinions or recommendations may be inconsistent with each other and may be modified from time to time without notice. Investors should make their own independent investigation of the merits of investing in the notes.

We and the selling agent or any of its affiliates may also issue, underwrite or assist unaffiliated entities in the issuance or underwriting of other securities or financial instruments that may have features similar to those of the notes, including similar rates of interest or maturities. By introducing competing products into the marketplace in this manner, we and the selling agent or its affiliates could adversely affect the value of the notes.

The notes may be subject to early redemption at our option.

If so specified in the applicable supplement, we may redeem the notes prior to the maturity date on any interest payment date, beginning on the interest payment date as specified in the applicable supplement. In addition, we have the right to redeem the notes following the occurrence of one of certain tax law changes as described under “Description of the Notes—Redemption for Tax Reasons” in this prospectus supplement and “Description of Debt Securities—Redemption” in the accompanying prospectus. If you intend to purchase the notes, you must be willing to have the notes redeemed early. We are generally more likely to redeem notes, subject to redemption at our option, during periods when we expect that interest will accrue on the notes at a rate that is greater than that which we would pay on our traditional interest-bearing deposits or debt securities having a maturity equal to the remaining term of the notes. In contrast, we are generally less likely to redeem such notes during periods when we expect interest to accrue on the notes at a rate that is less than that which we would pay on those instruments. Although the interest rate on notes subject to redemption at our option will typically step up during the term of such notes, you may not benefit from any future increase in the interest rate if such notes are redeemed prior to the date on which the interest rate is scheduled to increase. If we redeem such notes prior to the maturity date, accrued interest will be paid on the notes prior to such early redemption, but you will not receive any future interest payments from the notes redeemed and you may be unable to reinvest your proceeds from the redemption in an investment with a return that is as high as the return on the notes would have been if they had not been redeemed.

Any Survivor’s Option may be limited in amount, and any repayments made with respect to the exercise of a Survivor’s Option will not be made immediately.

The applicable supplement may indicate that the note contains a “Survivor’s Option.” The Survivor’s Option is a provision in a note in which we agree to repay that note, if requested by the authorized representative of the beneficial owner of that note, following the death of the beneficial owner of the note, provided that the note was acquired by the beneficial owner at least six months prior to the date of the request. Acceptance of an exercise of a Survivor’s Option

and determinations regarding the eligibility and validity of any exercise of a Survivor's Option will be at the sole and reasonable discretion of the Determination Agent. The Determination Agent has the discretionary right to apply a limit set by us to the aggregate principal amount of notes as to which exercises of the Survivor's Option will be accepted by us from all authorized representatives of deceased beneficial owners in any calendar year to an amount equal to 2% of the aggregate principal amount per tranche of notes outstanding as of the end of the most recent calendar year. The Determination Agent also has the discretionary right to apply a limit set by

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us to the aggregate principal amount of notes as to which exercises of the Survivor's Option will be accepted by us from the authorized representative of any deceased beneficial owner of the notes in any calendar year to \$250,000 per tranche of notes. Accordingly, no assurance can be given that the valid exercise of a Survivor's Option, if any, for a desired amount will be permitted in any single calendar year. In addition, as a result of the foregoing limitations, in some cases exercises of a Survivor's Option may not result in any payment in the year that the Survivor's Option has been exercised, or in one or more years subsequent to the year that the Survivor's Option was first exercised. These limitations and the discretion of the Determination Agent in applying any such limitations are discussed in more detail under the "Description of the Survivor's Option" below.

If a valid request to exercise the Survivor's Option is not fully accepted in any calendar year due to the application of any of the limitations described in the preceding paragraph and in "Description of the Survivor's Option" below, the notes will be deemed to be tendered in the following calendar year only if an authorized representative of the deceased beneficial owner and any Financial Institution (as defined below) through which the beneficial ownership interest in the notes is held by the deceased beneficial owner reaffirms the exercise of the Survivor's Option by submitting a Survivor's Option Reaffirmation Form (as defined below). If a completed Survivor's Option Reaffirmation Form is not submitted to the Document Administrator (as defined below) within 10 business days following the delivery thereof by the Document Administrator to the relevant Financial Institution through which the beneficial ownership interest in the notes is held by the deceased beneficial owner, the election to exercise the Survivor's Option will be deemed to have been withdrawn. The requirements relating to Survivor's Option Reaffirmation Forms are described in more detail under the heading "Description of the Survivor's Option" below.

In addition, even if the note is accepted for repayment pursuant to the valid exercise of a Survivor's Option in a certain calendar year, you will not receive immediate repayment. Repayment on a note so accepted will only be made on the first of two Survivor's Option Payment Dates (either February 15 or August 15, unless the applicable supplement provides otherwise) that occurs 30 or more calendar days after the date of acceptance.

Whether you should exercise a Survivor's Option if you meet the eligibility requirements to do so is a decision you will need to make in consultation with your investment, legal, accounting, tax and other advisers, after considering all the facts and circumstances of your situation. An additional consideration that you may wish to take into account is the prevailing secondary market prices for the notes, if any, at the time you are considering the exercise of the Survivor's Option or the submission of a Survivor's Option Reaffirmation Form. In some circumstances, such secondary market prices, if any, may be greater than the price you would receive upon the exercise of your Survivor's Option. Accordingly, you should contact your advisers to determine the prevailing secondary market prices of the notes, if any, in order to determine whether to sell the notes to a market participant at such secondary market prices, if any, or to exercise the Survivor's Option to receive repayment at a price equal to 100% of the principal amount plus accrued and unpaid interest.

For additional details regarding the Survivor's Option, see "Description of the Survivor's Option" in this prospectus supplement.

The notes may not be a suitable investment for you.

The notes may not be a suitable investment for you if, among other things:

- you are unwilling to forgo guaranteed market interest rates for the term of the notes;
- you seek assurances that there will be a liquid market if and when you want to sell the notes prior to maturity or any early redemption, if applicable;
-

you are unwilling or are unable to assume the credit risk associated with Lloyds Bank, as the issuer of the notes, and LBG, as the guarantor of the issuer's obligations under the notes;

- if the notes are subject to redemption at the option of the issuer, you are unwilling to accept the risk that the notes may be redeemed prior to maturity, and are unwilling or unable to accept the risk that

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you may be unable to reinvest the proceeds of such redemption in an investment with a return that is as high as the return on the notes would have been if they had not been redeemed; or

- you are unwilling to accept the limitations imposed on the exercise of a Survivor's Option. See "Risk Factors Any Survivor's Option may be limited in amount, and any repayments made with respect to the exercise of a Survivor's Option will not be made immediately".

Additional risks relating to floating-rate notes

Because the interest rate on floating-rate notes is a floating rate, you will be exposed to risks not associated with a conventional fixed-rate debt instrument if you buy a floating-rate note. These risks include fluctuation of the applicable reference rate (and hence, the interest rate) and the possibility that for any given interest period you may receive a lesser amount of interest than for one or more other interest periods. We have no control over a number of factors that may affect market interest rates, including geopolitical conditions and economic, financial, political, regulatory, agricultural, judicial or other events that affect the markets generally and that are important in determining the existence, magnitude, and longevity of these risks and their results. In recent years, interest rates have been volatile, and volatility also could be characteristic of the future. In addition, the floating interest rate for any issuance of floating-rate notes may be less than the floating rate payable on a similar debt instrument of the same maturity issued by us or an issuer of comparable creditworthiness.

Additional risks relating to notes that are offered at varying prices

The selling agent may propose to offer notes from time to time for sale to investors in one or more negotiated transactions, or otherwise, at prevailing market prices at the time of sale, at prices related to then-prevailing prices, at negotiated prices, or otherwise. Accordingly, there is a risk that the price you pay for such notes will be higher than the prices paid by other investors based on the date and time you made your purchase, from whom you purchased the notes, any related transaction costs, whether you hold your notes in a brokerage account, a fiduciary or fee-based account or another type of account and other market factors.

Additional risks relating to notes that are not fixed-rate notes or floating-rate notes

If we issue and you invest in other types of notes, including, without limitation, indexed notes, notes denominated in, or that pay principal or interest in, a currency other than U.S. dollars, amortizing notes, original issue discount notes or exchangeable notes, each as will be further described in the applicable supplement, you will be subject to significant risks not associated with a conventional fixed-rate note. Additional risks that you should consider in connection with an investment in any of these notes will be set forth in the applicable supplement(s). Your decision to purchase such notes should be made only after carefully considering the risks of an investment in the notes discussed in the applicable supplement(s). You should not purchase the notes unless you understand and know you can bear the risks involved with such investment. We therefore urge you to consult with your investment, legal, accounting, tax and other advisers before you invest in such notes.

Usury laws may limit the amount of interest that can be charged and paid on the notes.

New York law will govern the notes offered by this prospectus supplement. New York usury laws limit the amount of interest that can be charged and paid on loans, including the notes. Under current New York law, the maximum permissible rate of interest is 25% per year on a simple interest basis. This limit may not apply to notes in which \$2,500,000 or more has been invested. While we believe that a U.S. federal or state court sitting outside New York may give effect to New York law, many other states also have laws that regulate the amount of interest that may be

charged to and paid by a borrower. We do not intend to claim the benefits of any laws concerning usurious rates of interest.

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DESCRIPTION OF THE NOTES AND THE GUARANTEES

This section describes the general terms and conditions of the notes. This section supplements, and should be read together with, the general description of our debt securities included in “Description of Debt Securities” in the accompanying prospectus. If there is any inconsistency between the information in this prospectus supplement and the accompanying prospectus, you should rely on the information in this prospectus supplement.

We will describe the particular terms of the notes we sell in a separate supplement. The terms and conditions stated in this section will apply to each note unless the note or the applicable supplement indicates otherwise.

We refer to the notes, together with the related guarantees (unless the context requires otherwise), as our “Retail Notes” or our “notes”.

General

The following summary of the terms of the notes and the indenture is not complete and is qualified in its entirety by reference to the actual notes and the specific provisions of the indenture (as defined below), as applicable.

We will issue senior unsecured Retail Notes under a senior debt securities indenture dated as of January 21, 2011 among us, LBG, as guarantor, and The Bank of New York Mellon, acting through its London Branch, as trustee (the “trustee”), as supplemented by the second supplemental indenture dated as of November 25, 2011 among us, LBG, as guarantor and the trustee. We refer to such senior debt securities indenture, as supplemented by such second supplemental indenture and as may be supplemented or amended from time to time, as the “indenture.”

All tranches of the notes will constitute a single series of debt securities under the indenture, together with any notes that we issue in the future under the indenture that we designate as being part of this series.

The indenture is subject to, and governed by, the Trust Indenture Act of 1939, as amended. We, LBG and the selling agent, in the ordinary course of our respective businesses, have conducted and may conduct business with the trustee or its affiliates. See “Description of Debt Securities” in the accompanying prospectus for more information about the indenture and the functions of the trustee.

The notes are our direct unsecured obligations and are not obligations of our subsidiaries. The notes are being offered on a continuous basis. There is no limit under our registration statement on the total initial public offering price or aggregate principal amount of the notes that may be offered using this prospectus supplement. We may issue other debt securities under the indenture from time to time in one or more series up to the aggregate principal amount of the then-existing grant of authority by our board of directors.

Unless otherwise provided in the applicable supplement, the minimum denomination of the notes will be \$1,000 and any larger amount that is a whole multiple of \$1,000 (or the equivalent in other currencies).

Specific Terms of the Notes. The specific terms of any notes we offer, and any additional terms of the notes, will be determined before each sale and will be described in the applicable supplement(s). The supplement may specify, among other things:

- the specific designation of the notes;
- the price, which may be expressed as a percentage of the aggregate principal amount of the notes, at which the notes will be issued to the public (the “issue price”);

- the aggregate principal amount;
- interest payment frequency;
- the selling agent's commission or discount, if any;
- the original issue date;

- the maturity date, and any terms related to any extension or postponement of the maturity date;
- if applicable, the circumstances under which the notes may be redeemed at our option prior to the maturity date set forth on the face of the notes, including any redemption date, redemption price, and redemption period;
 - whether the “Survivor’s Option” described below will be applicable;
 - the denominations or minimum denominations;
- the currency or currencies, if not U.S. dollars, in which payments will be made on the notes;
 - whether interest will be payable in cash or in kind;
 - the securities exchange or quotation system, if we decide to list the notes;
 - if the notes are not fixed-rate notes, a description of the type of note they are;
- any special U.S. federal income tax consequences of the purchase, ownership and disposition of the notes; and
- if applicable, any other material terms of the notes which are different from those described in this prospectus supplement and the accompanying prospectus.

Types of Notes

Fixed-Rate Notes

Unless the applicable supplement provides otherwise, the notes will bear interest at one or more fixed rates of interest, as set forth in the applicable supplement. The applicable supplement will specify such notes as being “fixed-rate notes.” Unless we specify otherwise in the applicable supplement, each fixed-rate note will bear interest from its original issue date or from the most recent date to which interest on the note has been paid or made available for payment. Interest will accrue on the principal of a fixed-rate note at the fixed annual rate stated in the applicable supplement, which may be an annual rate that is greater than or less than the annual rate in effect for a prior interest period, until the principal is paid or made available for payment.

Floating-Rate Notes

We may issue notes that will bear interest at a floating rate of interest determined by reference to one or more interest rate bases, or by reference to one or more interest rate formulae, each of which we refer to as a “reference rate” and will be specified in the applicable supplement. The applicable supplement will specify such notes as being “floating-rate notes.”

The interest rate for a floating-rate note will be determined by reference to:

- the specified reference rate based on the index maturity;
- plus or minus the spread, if any; and/or
- multiplied by the spread multiplier, if any.

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For any floating-rate note, the “index maturity” is the period to maturity of the instrument for which the reference rate is calculated and will be specified in the applicable supplement. The “spread” is the number of basis points we specify on the floating-rate note to be added to or subtracted from the reference rate. The “spread multiplier” is the percentage we may specify on the floating-rate note by which the reference rate is multiplied in order to calculate the applicable interest rate.

A floating-rate note also may be subject to:

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- a maximum interest rate limit, or cap, on the interest that may accrue during any interest period;
- a minimum interest rate limit, or floor, on the interest that may accrue during any interest period; or
- both.

Unless we specify otherwise in the applicable supplement, each floating-rate note will bear interest from its original issue date or from the most recent date to which interest on the note has been paid or made available for payment. Interest will accrue on the principal of a floating-rate note at the annual rate determined according to the interest rate formula stated in the applicable supplement, until the principal is paid or made available for payment. Unless we specify otherwise in the applicable supplement, we will pay interest on any floating-rate note monthly, quarterly, semi-annually, or annually, as applicable, in arrears, on the days set forth in the applicable supplement. Unless we specify otherwise in the applicable supplement, each interest payment due on an interest payment date or the maturity date will include interest accrued from and including the most recent interest payment date to which interest has been paid, or, if no interest has been paid, from the original issue date, to but excluding the next interest payment date or the maturity date, as the case may be.

How interest is reset for floating-rate notes. The interest rate in effect from the date of issue to the first interest reset date for a floating-rate note will be the initial interest rate determined as described in the applicable supplement. The interest rate of each floating-rate note may be reset daily, weekly, monthly, quarterly, semi-annually, or annually, as we specify in the applicable supplement. We refer to the period during which an interest rate is effective as an “interest period,” and the first day of each interest period as the “interest reset date.”

The “interest determination date” for any interest reset date is the day the calculation agent will refer to when determining the new interest rate at which a floating rate will reset. Unless we specify otherwise in the applicable supplement, the interest determination date for an interest reset date will be the second London Banking Day preceding the interest reset date. A London Banking Day is any day that is a Monday, Tuesday, Wednesday, Thursday or Friday and on which dealings in deposits in U.S. dollars are transacted, or with respect to any future date, are expected to be transacted, in the London interbank market.

We will specify the interest reset dates in the applicable supplement. If any interest reset date (other than the maturity date) for any floating-rate note falls on a day that is not a business day for the floating-rate note, the interest reset date for the floating-rate note will be postponed to the next day that is a business day for the floating-rate note. However, unless we specify otherwise in the applicable supplement, if the next business day is in the next succeeding calendar month, the interest reset date will be the immediately preceding business day. If the maturity date or any survivor’s option payment date falls on a day that is not a business day, then any amount of interest payable on such date will be adjusted to reflect the longer or shorter interest period.

Calculation of interest for floating-rate notes. Calculations relating to floating-rate notes will be made by the calculation agent, which will be an institution that we appoint as our agent for this purpose and which will be specified in the applicable supplement. We will identify in the applicable supplement the calculation agent we have appointed for a particular series of notes as of its original issue date. We may appoint different calculation agents from time to time after the original issue date of a floating-rate note without your consent and without notifying you of the change. Absent manifest error, all determinations of the calculation agent will be final and binding on you, the trustee and us.

For each floating-rate note, the calculation agent will determine, on the corresponding calculation or interest determination date, the interest rate for the applicable interest period. In addition, the calculation agent will calculate the amount of interest that has accrued during each interest period.

All amounts used in or resulting from any calculation on floating-rate notes will be rounded to the nearest cent, in the case of U.S. dollars, or to the nearest corresponding hundredth of a unit, in the case of a currency other than U.S. dollars, with one-half cent or one-half of a corresponding hundredth of a unit or more being rounded upward. Unless we specify otherwise in the applicable supplement, all percentages resulting from any calculation with respect to a floating-rate note will be rounded, if necessary, to the nearest one hundred-thousandth of a percent, with

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five one-millionths of a percentage point rounded upwards, e.g., 9.876545% (or .09876545) being rounded to 9.87655% (or .0987655).

In determining the reference rate that applies to a floating-rate note during a particular interest period, the calculation agent may obtain rate quotes from various banks or dealers active in the relevant market, as described in the descriptions of the reference rates below and/or in the applicable supplement. Those reference banks and dealers may include the calculation agent itself and its affiliates, as well as any underwriter, dealer, or agent participating in the distribution of the relevant floating-rate notes and its affiliates, and they may include our affiliates.

At the request of the holder of any floating-rate note, the calculation agent will provide the interest rate then in effect for that floating-rate note and, if already determined, the interest rate that is to take effect on the next interest reset date.

LIBOR Notes. Certain of the floating-rate notes may specify LIBOR as a reference rate. Each such note will bear interest at the LIBOR reference rate, adjusted by any spread or spread multiplier, as specified in the applicable supplement. Unless otherwise specified in the applicable supplement, "LIBOR" means the rate determined in accordance with the following:

(i) With respect to any interest determination date relating to a LIBOR note, LIBOR will be the rate for deposits in the index currency (as defined below) for a period of the index maturity specified in such supplement commencing on the applicable interest reset date, that appears on the Designated LIBOR Page (as defined below) as of 11:00 a.m., London time, on such interest determination date, or if no such rate so appears, LIBOR on such interest determination date will be determined in accordance with the provisions described in clause (ii) below.

(ii) With respect to an interest determination date on which no rate appears on the Designated LIBOR Page as specified in clause (i) above, the calculation agent (as specified in the applicable supplement) will request the principal London offices of each of four major reference banks (which may include the selling agent or their affiliates) in the London interbank market, as selected by the calculation agent (after consultation with us), to provide the calculation agent with its offered quotation for deposits in the index currency for the period of the index maturity specified in the applicable supplement, commencing on the applicable interest reset date, to prime banks in the London interbank market at approximately 11:00 a.m., London time, on such interest determination date and in a principal amount that is representative for a single transaction in the index currency in such market at such time. If at least two such quotations are so provided, then LIBOR on such interest determination date will be the arithmetic mean of such quotations. If fewer than two such quotations are so provided, then LIBOR on such interest determination date will be the arithmetic mean of the rates quoted at approximately 11:00 a.m., in the applicable principal financial center, on such interest determination date by three major banks (which may include the selling agent or their affiliates) in such principal financial centre selected by the calculation agent (after consultation with us) for loans in the index currency to leading European banks, having the index maturity specified in the applicable supplement, commencing on that interest reset date and in a principal amount that is representative for a single transaction in the index currency in such market at such time; provided, however, that if the banks so selected by the calculation agent are not quoting as mentioned in this sentence, LIBOR determined as of such interest determination date will be LIBOR in effect on such interest determination date or, if no LIBOR rate was in effect on such interest determination date, the rate on such LIBOR note for the following interest reset period shall be the initial interest rate.

"Index currency" means the currency specified in the applicable supplement as to which LIBOR shall be calculated or, if no such currency is specified in the applicable supplement, U.S. dollars.

"Designated LIBOR Page" means the display on the page specified in the applicable supplement for the purpose of displaying the London interbank rates of major banks for the index currency, provided, however, if no such page is specified in the applicable supplement, the display on Reuters (or any successor service) on the LIBOR01 page (or

any other page as may replace such page on such service) shall be used for the purpose of displaying the London interbank rates of major banks for the index currency.

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Other Types of Notes

We may issue notes that are denominated in, or pay principal or interest in, a currency other than the U.S. dollar.

We may issue amortizing notes, which are fixed-rate notes for which combined principal and interest payments are made in installments over the life of the note. Payments on amortizing notes are applied first to interest due and then to the reduction of the unpaid principal amount.

We may issue notes that we identify in the applicable pricing supplement as “original issue discount notes”, which are notes sold at a price lower than their principal amount or lower than their minimum guaranteed repayment amount at maturity. Unless otherwise specified in the applicable supplement, notes that are sold at a price lower than their principal amount or lower than their minimum guaranteed repayment at maturity pursuant to a variable price offering are not original issue discount notes. Original issue discount notes may be fixed-rate, floating-rate, or indexed notes and may bear no interest (“zero coupon notes”) or may bear interest at a rate that is below market rates at the time of issuance.

We may also issue notes that provide that the rate of return, including the principal, premium (if any), interest, or other amounts payable (if any) is determined by reference, either directly or indirectly, to the price or performance of one or more securities, commodities, currencies, or composite currencies, stock or commodity indices, exchange traded funds, currency indices, consumer price indices, or other market measures, or any combination of the above, in each case as specified in the applicable supplement. The applicable supplement will specify such notes as being “indexed notes”.

We may issue notes, which are exchangeable for securities or other property, which we refer to as “exchangeable notes.” The applicable supplement will specify the securities or other property for which such notes may be exchanged, the rate of exchange, whether the notes are exchangeable at your option or our option, and other terms of such notes.

We may issue notes for which the maturity date may be extended at our option or renewed at the option of the holder for one or more specified periods, up to but not beyond the final maturity date stated in the note. The specific terms of and any additional considerations relating to extendible or renewable notes will be set forth in the applicable supplement.

In addition, we may issue notes with elements of each of the fixed-rate, floating-rate and indexed notes described above. For example, notes may bear interest at a fixed rate for some periods and at a floating rate for others. Similarly, notes may provide for payment of principal at maturity linked to an index, and may also bear interest at a fixed or floating rate during the term of the note.

We may specify in the applicable supplement certain historical or other information with respect to the specified index or other market measure, specific risk factors relating to that particular type of note, and tax considerations associated with an investment in that particular type of note.

Payment of Principal, Interest and Other Amounts Due

Payments of Interest. Unless we specify otherwise in the applicable supplement, if the applicable supplement specifies that the notes bear interest, we will pay interest on any note in arrears monthly, quarterly, semiannually, or annually, as set forth in the applicable supplement, and at maturity or upon early redemption, if applicable. Each day on which we will pay interest will be referred to as an “interest payment date.” The first interest payment date will be set forth in the applicable supplement. Unless we specify otherwise in the applicable supplement, each interest payment due in respect of the notes on an interest payment date, the maturity date or upon early redemption, if applicable, will

include interest accrued from and including the most recent interest payment date to which interest has been paid, or, if no interest has been paid, from the original issue date, to but excluding the next interest payment date or the maturity date, as the case may be. Unless we specify otherwise in the applicable supplement, interest on fixed-rate notes will be computed and paid on the basis of a 360-day year consisting of twelve 30-day months, and interest on floating-rate notes will be computed and paid on the basis of a 360-day year and the actual number of days in the relevant interest period.

Payments to Holders and Record Dates for Interest. Unless we specify otherwise in the applicable supplement, the provisions described in this section will apply to payments on the notes.

Interest payments on the notes will be made on each interest payment date applicable to, and at the maturity date (or the date of early redemption, if applicable) of, the notes. Interest payable on any interest payment date other than the maturity date (or the date of early redemption, if applicable) will be paid to the registered holders of the notes on the regular record date for that interest payment date, as described below. However, unless we specify otherwise in the applicable supplement, the initial interest payment on a note issued between a regular record date and the interest payment date immediately following the regular record date will be made on the second interest payment date following the issuance of the note to the holder of record on the regular record date preceding the second interest payment date. The principal and interest payable at maturity (or upon early redemption, if applicable) will be paid to the holder of the note at the close of business on the maturity date (or the date of early redemption, if applicable).

Unless we specify otherwise in the applicable supplement, the record date for any interest payment for a note in book-entry-only form generally will be the date which is 15 calendar days prior to the payment date. If such 15th day is not a business day, the record date will be the next succeeding business day.

Unless we specify otherwise in the applicable supplement, if any interest payment date or the maturity date of a fixed-rate note falls on a day that is not a business day, we will make the required payment on the next business day, and no additional interest will accrue in respect of the payment made on the next business day. Unless we specify otherwise in the applicable supplement, if any interest payment date or the maturity date of a floating-rate note falls on a day that is not a business day, payment will be adjusted for the number of actual number of days in the applicable interest period, as described above under “Description of the Notes – Floating-Rate Notes – How interest is reset for floating rate notes.”

Unless we specify otherwise in the applicable supplement, the term “business day” means any weekday that is not a legal holiday in New York, New York, London, England, or any other place of payment of the note, and is not a date on which banking institutions in those cities are authorized or required by law or regulation to be closed.

Manner of Payment. Unless otherwise stated in the applicable supplement, we will pay principal, premium (if any), interest, and other amounts payable (if any) on the notes in book-entry form in accordance with arrangements then in place between the applicable paying agent and the applicable depository. Unless otherwise stated in the applicable supplement, we will pay any interest on notes in certificated form on each interest payment date other than the maturity date (or the date of early redemption, if applicable) by check mailed to holders of the notes on the applicable record date at the address appearing on our records. Unless otherwise stated in the applicable supplement, we will pay any principal, premium (if any), interest, and other amounts payable (if any) at the maturity date (or the date of early redemption, if applicable) of a note in certificated form by wire transfer of immediately available funds upon surrender of the note at the corporate trust office of the trustee or the London paying agent, as applicable.

For the provisions applicable to amounts payable on notes repaid by us prior to maturity (or the date of early redemption, if applicable) pursuant to the valid exercise of a Survivor’s Option, see “Description of the Survivor’s Option” in this prospectus supplement.

Payment of Additional Amounts. All payments in respect of the notes and under the guarantee by the us, LBG, the trustee or a paying agent, as the case may be, will be subject in all cases to any applicable fiscal laws or other laws and regulations or any agreements entered into by the us, LBG, the trustee or a paying agent in connection with, or pursuant to such laws and regulations, and except as provided under “Description of Debt Securities—Additional Amounts” in the accompanying prospectus, none of the us, LBG, the trustee or any paying agent will be liable for, or required to pay any additional amounts as a result of the withholding or deduction of, any taxes or duties of whatever

nature imposed or levied by such laws, regulations or agreements. For the avoidance of doubt, no additional amounts will be paid by us, LBG any paying agent or the trustee on account of any deduction or withholding from a payment on, or in respect of, the notes where such deduction or withholding is imposed pursuant to any agreement with the Internal Revenue Service in connection with Sections 1471-1474 of the Internal Revenue Code (the "Code") and the Treasury regulations thereunder ("FATCA"), any intergovernmental agreement between the United States and the United Kingdom or any other jurisdiction with respect to FATCA, or any law, regulation

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or other official guidance enacted in any jurisdiction implementing, or relating to, FATCA or any intergovernmental agreement.

Paying Agents. Unless otherwise provided in the applicable supplement, the trustee will act as our paying agent, security registrar, and transfer agent with respect to the notes through the trustee's corporate trust office. That office is currently located at One Canada Square, London E14 5AL, England. If specified in the applicable supplement, with respect to some of our notes, including notes denominated in euros, the trustee will act as the London paying agent (the "London paying agent") through its London branch, which is located at the trustee's corporate trust office. At any time, we may rescind the designation of a paying agent, appoint a successor paying agent, or approve a change in the office through which any successor paying agent acts in accordance with the indenture. In addition, we may decide to act as our own paying agent with respect to some or all of the notes, and the paying agent may resign.

Determination Agent; Document Administrator. Barclays Bank PLC, an affiliate of the selling agent, will act as determination agent (the "Determination Agent") in connection with any Survivor's Option. Requests for tenders of notes will be received by The Bank of New York Mellon, in its capacity as Document Administrator (the "Document Administrator"), on our behalf, and the Document Administrator will forward the relevant Survivor's Option Documentation (as defined below) and any Survivor's Option Reaffirmation Forms, if applicable, to the Determination Agent for review and acceptance. Acceptance of an exercise of a Survivor's Option and determinations regarding the eligibility and validity of any exercise of a Survivor's Option will be at the sole and reasonable discretion of the Determination Agent. For additional details regarding the Survivor's Option, including the limitations that apply thereto, see "Description of Survivor's Option" in this Prospectus Supplement.

Calculation Agents. We will identify the calculation agent for any floating-rate or indexed notes in the applicable supplement. An affiliate of the selling agent will be appointed as calculation agent with respect to any notes that require a calculation agent if, in connection with such notes, we have entered into a hedging transaction with the selling agent or an affiliate thereof. The calculation agent will be responsible for calculating the interest rate, reference rates, principal, premium (if any), interest, or other amounts payable (if any) applicable to the floating-rate notes or indexed notes, as the case may be, and for certain other related matters. The calculation agent, at the request of the holder of any floating-rate note, will provide the interest rate then in effect and, if already determined, the interest rate that is to take effect on the next interest reset date for the floating-rate note. At the request of the holder of any floating-rate note that is an indexed note, and to the extent set forth in the applicable supplement, the calculation agent will provide the reference rate or formula then in effect. We may replace any calculation agent or elect to act as the calculation agent for some or all of the notes, and the calculation agent may resign.

No Sinking Fund

Unless we specify otherwise in the applicable supplement, the notes will not be entitled to the benefit of any sinking fund. This means that we will not deposit money on a regular basis into any separate custodial account to repay the notes.

Optional Redemption

The applicable supplement will indicate whether we have the option to redeem notes prior to their maturity date other than as described above under "Redemption for Tax Reasons." If we have such an option, we may redeem any tranche of notes in whole, but not in part, only on an interest payment date and provided we give not less than 5 business days' or more than 60 business days' prior written notice to each holder of notes, the trustee and the applicable depository, unless specified otherwise in the applicable supplement. The applicable supplement will indicate the first interest payment date on which we may redeem notes prior to their maturity. Unless the applicable supplement provides otherwise, the redemption price will be 100% of the principal amount of the notes to be redeemed, plus any accrued and unpaid interest to but excluding the interest payment date on which the notes are redeemed.

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Redemption for Tax Reasons

Unless the applicable supplement provides otherwise, we, LBG or any wholly-owned subsidiary of us or LGB, as applicable, that assumes the obligations under the notes (a “Substituted Issuer”) will have the option to redeem notes in whole, but not in part, after giving not less than 5 business days or more than 60 calendar days’ notice to each holder of such notes, at a redemption price equal to 100% of their principal amount together with any accrued but unpaid payments of interest, to the redemption date, or, in the case of notes issued with original issue discount, their accreted face amount, together with any accrued interest, or, in the case of such other notes as we may issue, at the redemption price specified in the applicable supplement (and premium, if any, thereon) together with accrued interest up to, but excluding, the redemption date, if we, LBG or a Substituted Issuer, as applicable, determines that as a result of a change in or amendment to the laws or regulations of a U.K. taxing jurisdiction (or in the case of a Substituted Issuer, the country of tax residence of such Substituted Issuer (a “Successor Tax Jurisdiction”), including any treaty to which it is a party, or a change in an official application or interpretation of those laws or regulations, including a decision of any court or tribunal, which becomes effective on or after the date of the applicable supplement (or in the case of a Substituted Issuer in a Successor Tax Jurisdiction other than the U.K., on or after the date of succession):

- in making any payments on such notes, we, LBG or the Substituted Issuer, as applicable, have paid or will or would on the next interest payment date become obligated to pay Additional Amounts;
- payment of interest on the next interest payment date in respect of any such notes would be treated as “distributions” within the meaning of Chapter 2 of Part 23 of the Corporation Tax Act 2010 of the United Kingdom, or any statutory modification or reenactment of the Act; or
- on the next interest payment date we, LBG or the Substituted Issuer, as applicable, would not be entitled to claim a deduction in respect of the payments in computing our, LBG’s or the Substituted Issuer’s U.K. taxation liabilities or Successor Tax Jurisdiction liabilities, if applicable, or the value of the deduction to us, LBG or the Substituted Issuer, as applicable, would be materially reduced.

Before we publish any notice of redemption for tax reasons, we, LBG or the Substituted Issuer will deliver to the trustee under the indenture an officer’s certificate or a legal opinion stating that we, LBG or the Substituted Issuer, as the case may be, are entitled to redeem the notes and that the conditions precedent to redemption have occurred.

The notice to be given to each holder of the notes, the trustee and the applicable depository will take the form of a certificate signed by us specifying:

- the date fixed for redemption;
- the redemption price;
- the CUSIP, Common Code and/or ISIN number or numbers, if any, of the notes to be redeemed;
- the amount to be redeemed, if the applicable supplement specifies that less than all of a tranche of notes is to be redeemed;
- the place of payment for the notes to be redeemed; and
- that on and after the date fixed for redemption, interest will cease to accrue on the notes to be redeemed.

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So long as a depository is the record holder of the applicable notes to be redeemed, we will deliver any notice of our election to exercise our redemption right only to that depository and the trustee.

Repayment

Unless otherwise specified in the applicable supplement, the notes will not be repaid at the holder's option prior to their maturity date. If the applicable supplement specifies that the notes may be repaid prior to maturity, such supplement will indicate the amount at which we will repay the notes and the procedure for repayment. If the applicable supplement specifies that the notes contain a Survivor's Option (as described below) pursuant to which the notes may be repaid prior to maturity (subject to certain limitations), see "Description of the Survivor's Option" in this prospectus supplement.

Survivor's Option

The applicable supplement will indicate whether a note contains the "Survivor's Option". The "Survivor's Option" is a provision in a note in which we agree to repay that note, if requested by the authorized representative of the beneficial owner of that note, following the death of the beneficial owner of the note, provided that the note was acquired by the beneficial owner at least six months prior to the date of the request. The notes will not be eligible for repayment in this manner unless the applicable supplement for the notes provides for the Survivor's Option.

If the Survivor's Option is applicable to a note, upon the valid exercise of the Survivor's Option (as described below) and the proper tender of the relevant notes for repayment, we will repay such notes, in whole or in part (subject to the limitations as described below), at a price equal to 100% of the principal amount of the deceased beneficial owner's beneficial ownership interest in such notes plus any accrued and unpaid interest to, but excluding, the date of repayment.

Acceptance of an exercise of a Survivor's Option and determinations regarding the eligibility and validity of any exercise of a Survivor's Option will be at the sole and reasonable discretion of the Determination Agent. The Determination Agent has the discretionary right to apply a limit set by us to the aggregate principal amount of notes as to which exercises of the Survivor's Option will be accepted by us from all authorized representatives of deceased beneficial owners in any calendar year to an amount equal to 2% of the aggregate principal amount per tranche of notes outstanding as of the end of the most recent calendar year. The Determination Agent also has the discretionary right to apply a limit set by us to the aggregate principal amount of notes as to which exercises of the Survivor's Option will be accepted by us from the authorized representative of any deceased beneficial owner of the notes in any calendar year to \$250,000 per tranche of notes. As a result of the foregoing limitations, in some cases exercises of a Survivor's Option may not result in any payment in the year that the Survivor's Option has been exercised, or in one or more years subsequent to the year that the Survivor's Option was first exercised. These limitations and the discretion of the Determination Agent in applying any such limitations are discussed in more detail under the "Description of the Survivor's Option" below.

If a valid request to exercise the Survivor's Option is not fully accepted in any calendar year due to the application of any of the limitations described in the preceding paragraph and in "Description of the Survivor's Option" below, the notes will be deemed to be tendered in the following calendar year only if an authorized representative of the deceased beneficial owner and any Financial Institution (as defined below) through which the beneficial ownership interest in the notes is held by the deceased beneficial owner reaffirms the exercise of the Survivor's Option by submitting a Survivor's Option Reaffirmation Form (as defined below). If a completed Survivor's Option Reaffirmation Form is not submitted to the Document Administrator (as defined below) by the Financial Institution within 10 business days following the delivery thereof by the Document Administrator to the relevant Financial Institution through which the beneficial ownership interest in the notes is held by the deceased beneficial owner, the election to exercise the

Survivor's Option will be deemed to have been withdrawn. The requirements relating to Survivor Option Reaffirmation Forms are described in more detail under the heading "Description of the Survivor's Option" below.

For additional details regarding the Survivor's Option, see "Description of the Survivor's Option" in this prospectus supplement.

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Repurchase

We, or any of our affiliates, may purchase at any time our notes in the open market at prevailing prices or in private transactions at negotiated prices. If we purchase notes in this manner, we have the discretion to either hold, resell or cancel any repurchased notes. In addition, the selling agent may purchase at any time our notes in the open market at prevailing prices or in private transactions at negotiated prices.

Reopenings

We have the ability to “reopen,” or increase after the issuance date, the principal amount of a particular tranche or series of our notes without notice to the holders of existing notes by selling additional notes having the same terms as such other tranche or series. However, any new notes of this kind may have a different offering price and terms with respect to accrued interest.

Other/Additional Provisions

Any provisions with respect to the notes, including the calculation of the applicable interest rate, the amounts payable at maturity, interest payment dates, any redemption option or Survivor’s Option or any other related matters for a particular tranche of notes, may be modified and/or supplemented as described in the applicable supplement.

Form, Exchange, Registration and Transfer of Notes

We will issue each note in book-entry-only form. This means that we will not issue actual notes or certificates to each beneficial owner. Instead, we will issue a master note in registered form (a “Master Note”), registered and held in the name of the applicable depository or a nominee of that depository. Unless we specify otherwise in the applicable supplement, each Master Note will be deposited with, or on behalf of, DTC and registered in the name of a nominee of DTC. The Master Note will name DTC or its nominee as the owner of the notes. DTC maintains a computerized system that will reflect the beneficial ownership interests held by its participants in the Master Note. Each note represents a beneficial ownership interest in the Master Note.

An investor will hold a beneficial ownership interest in the Master Note through an account maintained by the investor with its broker-dealer, bank, trust company or other representative. Such investor’s beneficial ownership interest will be shown on, and transfers thereof will be effected through, the book-entry records maintained by DTC and its direct or indirect participants, including, as applicable, Euroclear Bank S.A./N.V. (“Euroclear”) and/or Clearstream Banking, société anonyme (“Clearstream”). DTC, Euroclear, and Clearstream and some of their policies and procedures are described under “Description of Debt Securities — Form of Debt Securities; Book-Entry System” in the accompanying prospectus.

So long as DTC or its nominee is the registered owner of a Master Note, DTC or its nominee, as the case may be, will be the sole holder of the notes represented thereby for all purposes, including payment of principal and interest, under the indenture. Except as set forth in the accompanying prospectus under “Description of Debt Securities — Form of Debt Securities; Book-Entry System,” the beneficial owners of the notes are not entitled to receive physical delivery of certificated notes. Accordingly, each beneficial owner must rely on the procedures of DTC and, if such beneficial owner is not a DTC participant, on the procedures of the DTC participant through which such beneficial owner owns its interest in order to exercise any rights of a holder of a note under the indenture. For more information about book-entry-only notes and the procedures for registration, settlement, exchange and transfer of book-entry-only notes, see “Description of Debt Securities — Form of Debt Securities; Book-Entry System” in the accompanying prospectus.

If we ever issue notes in certificated form, unless we specify otherwise in the applicable supplement, those notes will be issued in registered form only, and the exchange, registration or transfer of those notes will be governed by the indenture and the procedures described under “Description of Debt Securities — Form of Debt Securities; Book-Entry System” in the accompanying prospectus. Subject to the terms of the indenture, notes of any series in certificated form may be exchanged at the option of the holder for other notes of the same series and of an equal aggregate principal amount containing identical terms and conditions. Notes in certificated form may be presented for registration of transfer at the office of any transfer agent that we designate and maintain. The transfer

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agent will make the registration of transfer only if it is satisfied with the documents of title and identity of the person making the request. Interests in certificated notes may not be exchanged for interests in a Master Note.

Unless we specify otherwise in the applicable supplement, the trustee will be the authenticating agent, registrar and transfer agent for the notes issued under the indenture. Holders may register the transfer of the notes, and may exchange the notes at the office of the trustee as our current agent for the payment, transfer and exchange of the notes.

We will not be required to:

- register the transfer or exchange of any note if the holder has exercised the holder's right, if any, to require us to repurchase the note, in whole or in part, except the portion of the note not required to be repurchased;
- register the transfer or exchange of notes to be redeemed for a period of fifteen calendar days preceding the mailing of the relevant notice of redemption; or
- register the transfer or exchange of any note selected for redemption in whole or in part, except the unredeemed or unpaid portion of that note being redeemed in part.

No service charge will be made for any registration of transfer or exchange of notes, but we may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection with the registration of transfer or exchange of notes.

Ranking

Under United States law, claims of our subsidiaries' creditors, including their depositors, would be entitled to priority over the claims of our unsecured general creditors, including holders of our notes, in the event of our liquidation or other resolution.

Unless the relevant supplement provides otherwise, the notes and interest payments (if any) appertaining thereto constitute our direct, unconditional, unsecured and unsubordinated obligations ranking *pari passu*, without any preference among themselves, with all of our other outstanding unsecured and unsubordinated obligations, present and future, except such obligations as are preferred by operation of law.

The indenture and the notes do not contain any limitation on the amount of debt obligations that we may incur in the future.

Guarantee

The notes are fully and unconditionally guaranteed by LBG, as the guarantor. The guarantee will constitute the guarantor's direct, unconditional, unsecured and unsubordinated obligations ranking *pari passu* with all of the guarantor's other outstanding unsecured and unsubordinated obligations, present and future, except such obligations as are preferred by operation of law.

The guarantee is set forth in, and forms part of, the indenture. If, for any reason, we do not make any required payment in respect of our notes when due, LBG will cause the payment to be made to or to the order of the applicable trustee. Holders of notes issued by us may sue LBG to enforce their rights under the guarantee without first suing any other person or entity. LBG may, without the consent of the holders of the notes, assume all of our rights and obligations under the notes and upon such assumption, we will be released from our liabilities under the indenture and the notes.

For more information on the guarantee, see “Description of Debt Securities—Senior Guarantee of debt securities issued by Lloyds Bank” in the accompanying prospectus.

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DESCRIPTION OF THE SURVIVOR'S OPTION

The "Survivor's Option" is a provision in a note in which we agree to repay that note, if requested by the authorized representative of the beneficial owner of that note, following the death of the beneficial owner of the note, provided that the note was acquired by the beneficial owner at least six months prior to the date of the request. The applicable supplement relating to any note will state whether the Survivor's Option is applicable to that note.

If the Survivor's Option is applicable to a note, upon the valid exercise of the Survivor's Option (as described below) and the proper tender of the relevant notes for repayment, we will repay such notes, in whole or in part (subject to the limitations as described below), at a price equal to 100% of the principal amount of the deceased beneficial owner's beneficial ownership interest in such notes plus any accrued and unpaid interest to, but excluding, the date of repayment.

For purposes of this section, a beneficial owner of a note is a person who has the right, immediately prior to such person's death, to receive the proceeds from the disposition of that note, as well as the right to receive payment of the principal of that note.

To be valid, the Survivor's Option must be exercised by or on behalf of the person who has authority to act on behalf of the deceased beneficial owner of a note under the laws of the applicable jurisdiction (including, without limitation, the personal representative of, or the executor of the estate of, the deceased beneficial owner or the surviving joint owner with such deceased beneficial owner). For purposes of this section, the authorized representative of a deceased beneficial owner shall be referred to as the "Authorized Representative".

The death of a person holding a beneficial ownership interest in a note (a) with any person in a joint tenancy with right of survivorship or (b) with his or her spouse in tenancy by the entirety, tenancy in common, as community property or in any other joint ownership arrangement, will be deemed the death of the beneficial owner of such note, and the entire principal amount of such note (subject to the limitations described below) held in this manner will be subject to repayment by us upon request. However, the death of a person holding a beneficial ownership interest in a note as tenant in common with a person other than his or her spouse will be deemed the death of a beneficial owner only with respect to the deceased person's interest in such note, and only the deceased beneficial owner's proportionate interest in the principal amount of such note will be subject to repayment to the estate of the deceased beneficial owner upon application of the Authorized Representative.

The death of a person who, during his or her lifetime, was entitled to substantially all of the beneficial ownership interests in a note will be deemed the death of the beneficial owner of such note for purposes of the Survivor's Option, regardless of whether such beneficial owner was the registered holder of such note, if such beneficial ownership interest can be established to the satisfaction of the Determination Agent (as defined below). Such beneficial ownership interest will be deemed to exist in typical cases of nominee ownership, ownership under the Uniform Transfers to Minors Act or Uniform Gifts to Minors Act, community property or other joint ownership arrangements between spouses. Beneficial ownership interest will be evidenced by such factors as the power to sell or otherwise dispose of a note, the right to receive the proceeds of sale or disposition and the right to receive interest and principal payments on a note. In addition, such beneficial ownership interest will be deemed to exist in custodial and trust arrangements where one person has all of the beneficial ownership interest in a note during his or her lifetime. In these cases, the death of the nominee, custodian, trustee, guardian or committee will not be deemed the death of the beneficial owner of a note for purposes of the Survivor's Option.

Notes beneficially owned by a trust will be regarded as beneficially owned by each beneficiary of the trust to the extent of that beneficiary's interest in the trust (however, a trust's beneficiaries collectively cannot be beneficial owners of more notes than are owned by the trust); provided that the beneficiary has a current interest in the trust, which may

be evidenced by a current right to receive distributions or other proceeds from the trust. The death of a beneficiary of a trust will be deemed the death of the beneficial owner of the notes beneficially owned by the trust to the extent of that beneficiary's interest in the trust; however, only the death of all such individuals who are tenants by the entirety or joint tenants in a tenancy which is the beneficiary of a trust will be deemed the death of the beneficiary of the trust. The death of an individual who was a tenant in common in a tenancy which is the beneficiary of a trust will be deemed the death of the beneficiary of the trust only with respect to the deceased

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holder's beneficial ownership interest in the note, unless spouses are the tenants in common, in which case only the death of both spouses will be deemed the death of the beneficiary of the trust.

The Determination Agent has the discretionary right to apply a limit set by us to the aggregate principal amount of notes as to which exercises of the Survivor's Option will be accepted by us from all Authorized Representatives in any calendar year to an amount equal to 2% of the aggregate principal amount per tranche of notes outstanding as of the end of the most recent calendar year ("Aggregate Put Limitation"). The Determination Agent also has the discretionary right to apply a limit set by us to the aggregate principal amount of notes as to which exercises of the Survivor's Option will be accepted by us from the Authorized Representative for any individual deceased beneficial owner of such notes in any calendar year to \$250,000 per tranche of notes ("Individual Put Limitation", and together with the "Aggregate Put Limitation", the "Put Limitations"). In addition, the exercise of the Survivor's Option (a) for a principal amount of less than \$1,000 or (b) if such exercise would result in a note with a principal amount of less than \$1,000 outstanding, will not be permitted. If, however, the original principal amount of a note was less than \$1,000, the Authorized Representative may exercise the Survivor's Option, but only for the full principal amount of such note. We, in consultation with the Determination Agent, may establish internal policies and procedures for the application of the Put Limitations and may change any such policies and procedures from time to time, all at our discretion, in consultation with the Determination Agent, provided that the establishment of, or any such changes to, such policies and procedures shall neither reduce the thresholds of either of the Put Limitations nor adversely affect a beneficial owner's ability to exercise the Survivor's Option. The Determination Agent may also elect in its sole discretion to waive the Put Limitations with respect to some beneficial owners without extending that waiver to other similarly situated beneficial owners.

Barclays Bank PLC, an affiliate of the selling agent, will act as determination agent (the "Determination Agent") in connection with the Survivor's Option. Requests for tenders of notes will be received by The Bank of New York Mellon, in its capacity as Document Administrator (the "Document Administrator") on our behalf, and the Document Administrator will forward the Survivor's Option Documentation (as defined below) and any Survivor's Option Reaffirmation Form (as defined below), if applicable, to the Determination Agent for review and acceptance. The Determination Agent will make the final determination regarding whether the Survivor's Option Documentation and any Survivor's Option Reaffirmation Form are in acceptable form. Acceptance of an exercise of a Survivor's Option and determinations regarding the eligibility and validity of any exercise of a Survivor's Option will be at the sole and reasonable discretion of the Determination Agent.

Any note (or portion thereof) tendered pursuant to a valid exercise of the Survivor's Option may not be withdrawn in the calendar year in which it is tendered. Tenders of notes (or portions thereof) pursuant to valid exercises of the Survivor's Option will be accepted in the order in which such notes are received by the Document Administrator, except for any note (or portion thereof) the acceptance of which would contravene any of the Put Limitations. Any note (or portion thereof) accepted for repayment pursuant to exercise of the Survivor's Option will be repaid on the first Survivor's Option Payment Date that occurs 30 or more calendar days after the date of the acceptance. Unless the applicable supplement provides otherwise, a "Survivor's Option Payment Date" means February 15 and August 15 of each calendar year. For example, if the acceptance date of a note tendered pursuant to a valid exercise of the Survivor's Option is February 10, 2013, we would repay, subject to the Put Limitations, that note (or portion thereof) on the Survivor's Option Payment Date occurring on August 15, 2013, because the February 15, 2013 Survivor's Option Payment Date would occur less than 30 days from the date of acceptance. If a note (or any portion thereof) tendered for repayment pursuant to a valid exercise of the Survivor's Option (including through a Survivor's Option Reaffirmation Form (as described below)) is not accepted, the Document Administrator will deliver a notice by first-class mail to the Authorized Representative at the address set forth in the Survivor's Option Documentation, that states the reason such note (or portion thereof) has not been accepted for repayment. The procedures for obtaining payment on valid exercise of the Survivor's Option that are not accepted as a result of the Put Limitations are described below.

Since the notes will be represented by a Master Note, DTC, as depository, or its nominee will be treated as the holder of all notes and will be the only entity that can exercise the Survivor's Option for such notes. To obtain repayment pursuant to the exercise of the Survivor's Option for a note, the Authorized Representative and the broker or other entity through which the beneficial ownership interest in the notes is held by the estate of the deceased beneficial owner (the "Financial Institution") must complete the Survivor's Option Form of Notice, which is

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attached hereto as Appendix A (the "Form of Notice") and the Authorized Representative must provide the Financial Institution with the following items (collectively, the "Survivor's Option Documentation"):

- a completed Form of Notice, using the form attached hereto as Appendix A, including the certifications that:
 - (a) the deceased was the beneficial owner of the note at the time of death and his or her interest in the note was acquired by the deceased beneficial owner at least six months prior to the date of the request;
 - (b) the death of such beneficial owner has occurred and the date of such death;
 - (c) the Authorized Representative has authority to act on behalf of the deceased beneficial owner and has requested repayment of the note;
 - (d) the Financial Institution currently holds such notes as a direct participant or indirectly through a participant in DTC; and
- if the beneficial ownership interest in a note is held (a) with any person in a joint tenancy with right of survivorship, (b) with the deceased beneficial owner's spouse in tenancy by the entirety, tenancy in common, as community property or in any other joint ownership arrangement, or (c) as tenant in common with a person other than his or her spouse, evidence satisfactory to the Determination Agent of such relationship;
 - if the beneficial ownership interest in a note is held by a nominee or trustee of, custodian for or other person in a similar capacity to the deceased beneficial owner, a certificate satisfactory to the Determination Agent from such nominee, trustee, custodian or similar person attesting to the deceased's current beneficial ownership in such note;
- tax certifications and such other instruments or documents that the Determination Agent may reasonably require in order to establish the validity of the beneficial ownership of the note and the claimant's entitlement to payment; and
- any additional information the Determination Agent may reasonably require to evidence satisfaction of any conditions to the exercise of the Survivor's Option or to document beneficial ownership or authority to make the election and to cause the repayment of a note.

In turn, the Financial Institution will provide to the Document Administrator, and the Document Administrator will forward to the Determination Agent, the Survivor's Option Documentation. Upon acceptance by the Determination Agent, the trustee will be responsible for disbursing any payments to DTC, pursuant to exercise of the Survivor's Option, to be forwarded by DTC to the appropriate Financial Institution for disbursement to the Authorized Representative.

In the event that a valid exercise of a Survivor's Option is not accepted, or is not fully accepted, by us in a particular calendar year due to the application of the Put Limitations, the Determination Agent will forward to the Document Administrator a Survivor's Option Reaffirmation Form, which is attached hereto as Appendix B (a "Survivor's Option Reaffirmation Form"), relating to the relevant note, which shall include the identification number assigned by the Document Administrator to each Survivor's Option request upon receipt by it that relates to the relevant Retail Note and the request to exercise the Survivor's Option, or such other code used by the Document Administrator to track and identify Survivor's Option requests. The Determination Agent intends to deliver to the Document Administrator such Survivor's Option Reaffirmation Form by January 15 of each succeeding calendar year until the full amount of the Survivor's Option has been paid (each such year shall be referred to in this section as a "Succeeding Year"). The Document Administrator will in turn forward the Survivor's Option Reaffirmation Form to the relevant Financial Institution on or before February 5 of each Succeeding Year.

Each tendered note that is not accepted in any calendar year due to the application of the Put Limitations will be considered to be tendered in the following calendar year only if an Authorized Representative and the relevant Financial Institution reaffirm the intent to exercise the Survivor's Option by marking the appropriate box in the

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Survivor's Option Reaffirmation Form and returning a completed copy thereof along with a copy of the previously submitted Survivor's Option Documentation to the Document Administrator within 10 business days following the delivery by the Document Administrator of the Survivor's Option Reaffirmation Form. The Financial Institution will provide to the Document Administrator, and the Document Administrator will forward to the Determination Agent, the Survivor's Option Reaffirmation Form along with a copy of the previously submitted Survivor's Option Documentation. Upon acceptance by the Determination Agent, the trustee will be responsible for disbursing any payments to DTC, pursuant to exercise of the Survivor's Option, to be forwarded by DTC to the appropriate Financial Institution for disbursement to the Authorized Representative.

If the Financial Institution (on behalf of the Authorized Representative) marks the box in the Survivor's Option Reaffirmation Form indicating an intent to withdraw an election to exercise the Survivor's Option, the request to exercise the Survivor's Option will be withdrawn. In addition, if a completed Survivor's Option Reaffirmation Form is not returned to the Document Administrator within 10 business days following its delivery by the Document Administrator, the request to exercise the Survivor's Option will be deemed to have been withdrawn.

In the event that a request to exercise a Survivor's Option is withdrawn or deemed to have been withdrawn, a request to exercise the Survivor's Option may be reinstated only by completion of a new Form of Notice and resubmission of the other Survivor's Option Documentation that is required in connection with a request to exercise a Survivor's Option pursuant to the paragraphs above. Any such subsequent resubmission will again be subject to the conditions for exercise of a Survivor's Option as well as Put Limitations.

The amount that will be eligible for repayment pursuant to a valid submission of a Survivor's Option Reaffirmation Form will be equal to the difference between the amount specified in the initial request to exercise the Survivor's Option less any portion of that amount actually repaid. No amounts that are greater or less than such difference may be submitted for repayment pursuant to a Survivor's Option Reaffirmation Form. Amounts accepted for repayment following a submission of a Survivor's Option Reaffirmation Form will be repaid, subject to the Put Limitations, on the Survivor's Option Payment Date that occurs 30 or more calendar days after the date of the acceptance by the Determination Agent of the request for repayment set forth in the Survivor's Option Reaffirmation Form.

For the avoidance of doubt, a Survivor's Option Reaffirmation Form will be accepted only if it is executed by a person who would be considered an Authorized Representative as of the date of the Survivor's Option Reaffirmation Form and by the relevant Financial Institution. All repayment requests included in a Survivor's Option Reaffirmation Form will be subject to the Put Limitations.