



**LLOYDS BANK**

**LLOYDS BANK plc**

*(incorporated in England with limited liability under the Companies Act 1862  
and the Companies Act 1985 with registered number 2065)*

**GBP 250,000,000 2.75 per cent. Fixed Rate Notes due 2018 (the “Notes”)**

**issued pursuant to the £50,000,000,000 Euro Medium Term Note Programme (the “Programme”)**

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This document (including the information incorporated by reference herein) constitutes a prospectus (the “**Prospectus**”) in respect of the Notes to be issued by Lloyds Bank plc (the “**Issuer**” or the “**Bank**”) for the purposes of Directive 2003/71/EC (the “**Prospectus Directive**”).

This Prospectus has been approved by the UK Financial Conduct Authority (the “**FCA**”) under Part VI of the Financial Services and Markets Act 2000 (the “**UK Listing Authority**”). Application has been made to the UK Listing Authority for the Notes to be admitted to the Official List of the UK Listing Authority (the “**Official List**”) and to the London Stock Exchange plc (the “**London Stock Exchange**”) for such Notes to be admitted to trading on the London Stock Exchange’s Regulated Market (the “**Market**”). References in this Prospectus to Notes being “**listed**” (and all related references) shall mean that such Notes have been admitted to the Official List and have been admitted to trading on the Market. The Market is a regulated market for the purposes of Directive 2004/39/EC of the European Parliament and of the Council on markets in financial instruments.

As at the date of this Prospectus, long-term senior obligations of the Bank are rated “A” by Standard & Poor’s Credit Market Services Europe Limited (“**S&P**”), “A1” by Moody’s Investors Service Ltd. (“**Moody’s**”) and “A” by Fitch Ratings Ltd. (“**Fitch**”). Each of Fitch, Moody’s and S&P is established in the European Union and is registered under Regulation (EC) No. 1060/2009 (as amended) of the European Parliament and of the Council of 16 September 2009 on credit rating agencies.

The offer and sale of Notes may, in certain circumstances, be restricted by law. For a further description of certain restrictions on the offer and sale of the Notes, see the section headed “*Selling Restrictions*” in the Base Prospectus as defined herein. Unless otherwise defined herein, capitalised terms used in this Prospectus have the meanings set out in the terms and conditions of the Notes.

**Prospective investors should have regard to the factors described under the section headed “Risk Factors” in the Base Prospectus. The Base Prospectus does not describe all of the risks of an investment in the Notes.**

**Prospective investors in the Notes should ensure that they understand the nature of the Notes and the extent of their exposure to risks and that they consider the suitability of the Notes as an investment in the light of their own circumstances and financial condition.**

**It is the responsibility of prospective investors to ensure that they have sufficient knowledge, experience and professional advice to make their own legal, financial, tax, accounting and other business evaluation of the merits and risks of investing in the Notes and are not relying on the advice of the Bank, the Trustee (as defined herein) or the Managers (as defined herein) in that regard.**

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*Lead Manager*

**Lloyds Bank**

*Co-Managers*

**Crédit Agricole CIB**

**HSBC**

**This Prospectus comprises a prospectus for the purposes of Directive 2003/71/EC, as amended, to the extent that such amendments have been implemented in the relevant Member State of the European Economic Area (the “Prospectus Directive”) and for the purpose of giving information with regard to the Bank and the Bank and its subsidiary and associated undertakings (the “Lloyds Bank Group”) which is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profit and losses and prospects of the Bank.**

**The Bank (the “Responsible Person”) accepts responsibility for the information contained in this Prospectus. To the best of the knowledge of the Bank (having taken all reasonable care to ensure that such is the case) the information contained in this Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.**

**The Notes may not be a suitable investment for all investors. Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:**

- (i) have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Prospectus;**
- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact such investment will have on its overall investment portfolio;**
- (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including where the currency for principal or interest payments is different from the potential investor’s currency;**
- (iv) understand thoroughly the terms of the Notes and be familiar with the behaviour of any relevant indices and financial markets;**
- (v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks; and**
- (vi) understand the accounting, legal, regulatory and tax implications of a purchase, holding and disposal of an interest in the Notes.**

**Notes may be purchased by investors as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolios. A potential investor should not invest in the Notes unless it has the expertise (either alone or with the help of a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of such Notes and the impact this investment will have on the potential investor’s overall investment portfolio.**

**This Prospectus is to be read in conjunction with all documents which are incorporated herein by reference (see “Documents Incorporated by Reference”).**

**Lloyds Banking Group plc (the “Company”) is a non-operating holding company which carries on all of its trading activities through its direct subsidiary, the Bank. Accordingly, save for the issuance and ongoing management of certain capital instruments by the Company and certain of its subsidiaries, the consolidated financial statements of the Company and the Bank are similar in all material respects, and the financial and other information relating to the Company incorporated by reference in this Prospectus has been included as it is more detailed and places the activities of the Bank in the context of the operations of Lloyds Banking Group plc and its subsidiary and associated undertakings (the “Group”).**

**No person is or has been authorised to give any information or to make any representation other than as contained in this Prospectus in its entirety in connection with the offering of the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Bank,**

Lloyds Bank plc, Crédit Agricole Corporate and Investment Bank or HSBC Bank plc (the “Managers”) or the Trustee (as defined in the base prospectus approved by the UK Listing Authority on 7 April 2014 relating to the Bank’s £50,000,000,000 Euro Medium Term Note Programme (the “Base Prospectus”)). Neither the delivery of this Prospectus nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Bank or Lloyds Bank Group since the date hereof. Neither this Prospectus or the Notes (i) is intended to provide the basis of any credit or other evaluation or (ii) should be considered as a recommendation or constituting an invitation or offer by the Bank, the Trustee or the Managers that any recipient of this Prospectus or the Notes should purchase the Notes. Each prospective investor contemplating purchasing the Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Bank. Neither this Prospectus or the issue of the Notes constitutes an offer of, or an invitation by or on behalf of, the Bank or the Managers or the Trustee to any person to subscribe for or purchase, the Notes.

No representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Managers as to the accuracy or completeness of the information contained or incorporated by reference in this Prospectus. The Managers accept no liability in relation to the information contained or incorporated by reference in this Prospectus.

The distribution of this Prospectus and the offering or sale of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Prospectus comes are required by the Bank and the Managers to inform themselves about and to observe any such restriction. The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the “Securities Act”), and are Notes in bearer form that are subject to U.S. tax law requirements. Subject to certain exceptions, Notes may not be offered, sold or delivered within the United States or to, or for the accounts or benefit of, U.S. persons. The Notes are being offered and sold outside the United States to persons that are not U.S. persons (as defined in Regulation S (“Regulation S”) under the Securities Act) in reliance on Regulation S. For a description of certain restrictions on offers and sales of Notes and on distribution of this Prospectus, see “*Selling Restrictions*” as set out in the Base Prospectus (as defined below).

The Notes have not been approved or disapproved by the U.S. Securities and Exchange Commission, any State securities commission in the United States or any other U.S. regulatory authority, nor has any of the foregoing authorities passed upon or endorsed the merits of the offering of Notes or the accuracy or the adequacy of this Prospectus. Any representation to the contrary is a criminal offence in the United States.

As the Notes are to be issued in new global note (“NGN”) form, the Global Notes will be delivered on or prior to the original issue date to a common safekeeper (the “Common Safekeeper”) for Euroclear Bank S.A./N.V. (“Euroclear”) and Clearstream Banking, société anonyme (“Clearstream, Luxembourg”) and/or any other agreed clearing system. The provisions governing the exchange of interests in Global Notes for other Global Notes and definitive Bearer Notes are described in “*Summary of Provisions Relating to the Notes while in Global Form*” as set out in the Base Prospectus.

In connection with the issue of the Notes, the Lead Manager acting as stabilising manager (the “Stabilising Manager”) (or persons acting on behalf of the Stabilising Manager) may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilising Manager (or persons acting on behalf of the Stabilising Manager) will undertake stabilisation action. Any stabilisation action may begin on or after the date of this Prospectus and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the Notes and 60 days after the date of the allotment of the Notes. Any stabilisation action or over-allotment must be conducted by the Stabilising Manager (or persons acting on behalf of the Stabilising Manager) in accordance with all applicable laws and rules.

The investment activities of certain investors are subject to investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) Notes are legal investments for it, (2) Notes can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of the Notes, whether

**as a result of the intended use of proceeds of the Notes (see “*Use of Proceeds*” below) or otherwise. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of the Notes under any applicable risk-based capital or similar rules.**

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## DOCUMENTS INCORPORATED BY REFERENCE

This Prospectus should be read and construed in conjunction with the following documents:

### ***Lloyds Bank plc financial statements:***

- (i) The Bank's Annual Report and Accounts 2013 including the audited consolidated annual financial statements of the Bank for the financial year ended 31 December 2013, together with the audit report thereon, as set out on pages 13 to 172 and 11 to 12, respectively (the "**Bank's 2013 Annual Report**"); and
- (ii) The Bank's Annual Report and Accounts 2012 including the audited consolidated annual financial statements of the Bank for the financial year ended 31 December 2012, together with the audit report thereon, as set out on pages 12 to 148 and 11, respectively (the "**Bank's 2012 Annual Report**").

### ***Lloyds Banking Group plc financial statements:***

- (i) The unaudited Q1 2014 Interim Management Statement of the Company (the "**Q1 2014 Interim Management Statement**") for the three months ended 31 March 2014 except for the following *pro forma* financial information which shall not be deemed to be incorporated in, and form part of, this Prospectus:
  - a. the paragraph entitled "Additional pro forma disclosures" on the inside front cover;
  - b. the first and third bullet points under the heading "Capital and leverage further strengthened; continued loan to deposit ratio improvement and run-off reduction" on page 1;
  - c. the second sentence in the second paragraph under the heading "Profitability increased and balance sheet strengthened" on page 2;
  - d. the items "Pro forma fully loaded common equity tier 1 ratio", "Pro forma fully loaded Basel III leverage ratio" and "Pro forma fully loaded CRD IV leverage ratio" in the table entitled "Balance Sheet and Key Ratios" on page 4 (and the accompanying footnotes (footnotes 4 and 5));
  - e. the second paragraph under the heading "Overview: significantly improved underlying profitability and balance sheet further strengthened" on page 5;
  - f. the items "Pro forma fully loaded common equity tier 1 capital ratio", "Pro forma total capital ratio", "Pro forma fully loaded Basel III leverage ratio" and "Pro forma fully loaded CRD IV leverage ratio" in the table entitled "Capital ratios and risk-weighted assets" on page 8 (and the accompanying footnotes (footnotes 1 and 2));
  - g. the first and fourth paragraphs below the table entitled "Capital ratios and risk-weighted assets" on page 8;
  - h. the first sentence of the second paragraph and the final sentence of the third paragraph under the heading "ECN exchange offers" on page 9;
  - i. the final sentence of the paragraph under the heading "Changes to the Group's Defined Benefit pension schemes" on page 9; and
  - j. the items "Pro forma common equity tier 1 capital ratio", "Pro forma CRD IV leverage ratio" and "Pro forma Basel III leverage ratio" in the table entitled "Transitional Capital Ratios" on page 15 (and the accompanying footnotes (footnotes 2 and 3));

- (ii) The audited consolidated financial statements of the Company for the financial year ended 31 December 2013, together with the audit report thereon, as set out on pages 204 to 365 and 198 to 203, respectively, of the Company's Annual Report and Accounts 2013 (the "**Company's 2013 Annual Report**"); and
- (iii) The audited consolidated financial statements of the Company for the financial year ended 31 December 2012, together with the audit report thereon, as set out on pages 206 to 343 and 204 to 205, respectively, of the Company's Annual Report and Accounts 2012.

***Other documents incorporated by reference:***

- (i) The base prospectus approved by the UK Listing Authority on 7 April 2014 relating to the Bank's £50,000,000,000 Euro Medium Term Note Programme (the "**Base Prospectus**") except for:
  - the documents incorporated by reference therein;
  - the section entitled "*Documents Incorporated by Reference*" as set out on pages 10 and 11 thereof;
  - the section entitled "*Remittance of Renminbi into and outside the PRC*" as set out on pages 102 to 104 thereof;
  - the section entitled "*Form of Final Terms*" as set out on pages 150 to 159 thereof; and
  - the section entitled "*General Information*" as set out on pages 160 to 161 thereof,

which shall not be deemed to be incorporated into this Prospectus.

The Base Prospectus contains, amongst other information incorporated by reference into this Prospectus:

- risk factors relating to the Bank, the Group and the Notes (on pages 21 to 55 of the Base Prospectus);
  - information on the Issuer and the Bank (on pages 109 to 128 of the Base Prospectus);
  - details of the directors of the Bank (on pages 128 to 129 of the Base Prospectus) (including a statement regarding conflicts of interests of such directors on page 129 of the Base Prospectus); and
  - information on recent developments in the business of the Group (on page 130 of the Base Prospectus); and
- (ii) The supplementary prospectus dated 15 May 2014 (the "**15 May 2014 Supplementary Prospectus**") which supplements the Base Prospectus and has been approved by the UK Listing Authority except for the documents incorporated by reference therein and the section of the 15 May 2014 Supplementary Prospectus entitled "*Documents Incorporated by Reference*", which shall not be deemed to be incorporated into this Prospectus;

all of which have been previously published and filed with the FCA and which shall be deemed to be incorporated in, and form part of, this Prospectus, save that any statement contained in a document which is deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Prospectus to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Prospectus. Any documents or information themselves incorporated by reference in, or cross-referred to in, the documents incorporated by reference in this Prospectus shall not form part of this Prospectus unless also separately incorporated by

reference above. In each case, where only certain sections of a document referred to above are incorporated by reference in the Prospectus, the parts of the document which are not incorporated by reference are either not relevant to prospective investors in the Notes or are covered elsewhere in this Prospectus.

The Company is a non-operating holding company which carries on all of its trading activities through its direct subsidiary, the Bank. Accordingly, save for the issuance and ongoing management of certain capital instruments by the Company and certain of its subsidiaries, the consolidated financial statements of the Company and the Bank are similar in all material respects, and the financial and other information relating to the Company incorporated by reference in this Prospectus has been included as it is more detailed and places the activities of the Bank in the context of the operations of the Group.

The Bank will provide, without charge, to each person to whom a copy of this Prospectus has been delivered, upon the oral or written request of such person, a copy of any or all of the documents which are incorporated in whole or in part by reference herein. Written or oral requests for such documents should be directed to the Bank at its principal office set out at the end of this Prospectus. Copies of all documents incorporated by reference in this Prospectus can also be viewed on the website of the Regulatory News Service operated by the London Stock Exchange at [www.londonstockexchange.com/exchange/prices-and-news/news/market-news/market-news-home.html](http://www.londonstockexchange.com/exchange/prices-and-news/news/market-news/market-news-home.html).



## TERMS AND CONDITIONS OF THE NOTES

The terms and conditions of the Notes will be as set out in the section of the Base Prospectus relating to the Issuer's £50,000,000,000 Euro Medium Term Note Programme (the "EMTN Programme") entitled "*Terms and Conditions of the Notes*" which is incorporated by reference herein as supplemented by the final terms set out in Part A below:

Final Terms dated 7 July 2014

**Lloyds Bank plc**

Issue of GBP 250,000,000 2.75 per cent. Fixed Rate Notes due 2018

issued under the Issuer's £50,000,000,000 Euro Medium Term Note Programme

### PART A — CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the "Conditions") contained in the Trust Deed dated 7 April 2014 set out in the section of the Issuer's Base Prospectus dated 7 April 2014 which is entitled "*Terms and Conditions of the Notes*" and which is incorporated by reference in the Prospectus of the Issuer dated 7 July 2014 relating to the Notes. These final terms must be read in conjunction with such Terms and Conditions of the Notes.

1	Issuer:	Lloyds Bank plc
2	(i) Series Number:	EMTN4877
	(ii) Tranche Number:	1
3	Specified Currency:	Pounds Sterling ("GBP")
4	Aggregate Nominal Amount:	GBP 250,000,000
5	Issue Price:	99.787 per cent. of the Aggregate Nominal Amount
6	(i) Specified Denominations:	GBP 100,000 and integral multiples of GBP 1,000 in excess thereof up to and including GBP 199,000. No Notes in definitive form will be issued with a denomination above GBP 199,000
	(ii) Calculation Amount:	GBP 1,000
7	(i) Issue Date:	9 July 2014
	(ii) Interest Commencement Date:	Issue Date
8	Maturity Date:	9 December 2018
9	Interest Basis:	2.75 per cent. Fixed Rate
10	Redemption Basis:	Redemption at par

11	Change of Interest or Redemption/Payment Basis:	Not Applicable
12	Alternative Currency Equivalent:	Not Applicable
13	Put/Call Options:	Not Applicable
14	Status of the Notes:	Senior

**PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

15	<b>Fixed Rate Note Provisions</b>	Applicable
	(i) Rate of Interest:	2.75 per cent. per annum payable semi annually in arrear
	(ii) Interest Payment Date(s):	9 June and 9 December in each year (short first coupon)
	(iii) Fixed Coupon Amount(s):	GBP 13.75 per Calculation Amount
	(iv) Broken Amount(s):	GBP 11.50 per Calculation Amount, payable on the Interest Payment Date falling on 9 December 2014
	(v) Day Count Fraction:	Actual/Actual ICMA
	(vi) Determination Dates:	9 June and 9 December in each year
16	<b>Fixed Rate Reset Note Provisions</b>	Not Applicable
17	<b>Floating Rate Note Provisions</b>	Not Applicable
18	<b>Zero Coupon Note Provisions</b>	Not Applicable

**PROVISIONS RELATING TO REDEMPTION**

19	<b>Call Option</b>	Not Applicable
20	<b>Put Option</b>	Not Applicable
21	<b>Capital Disqualification Event Call</b>	Not Applicable
22	<b>Final Redemption Amount</b>	GBP 1,000 per Calculation Amount
23	<b>Early Redemption Amount</b>	GBP 1,000 per Calculation Amount
24	<b>Capital Disqualification Event Substitution and Variation</b>	Not Applicable

**GENERAL PROVISIONS APPLICABLE TO THE NOTES**

25	<b>Form of Notes:</b>	<b>Bearer Notes:</b> Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note
26	<b>New Global Note:</b>	Yes
27	<b>Additional Financial Centre(s) or other special provisions relating to</b>	London

**payment dates:**

28 **Talons for future Coupons to be attached to Definitive Notes (and dates on which such Talons mature):** No

29 **Consolidation provisions:** Not Applicable

**DISTRIBUTION**

30 **U.S. Selling Restrictions:** Reg S Category 2; TEFRA D

31 **Additional selling restrictions:** Not Applicable

32 **Method of distribution:** Syndicated

33 **Name of Managers:** Lloyds Bank plc  
Crédit Agricole Corporate and Investment Bank  
HSBC Bank plc

## PART B – OTHER INFORMATION

### 1 LISTING

- (i) Listing: London
- (ii) Admission to trading: Application has been made for the Notes to be admitted to trading on the Regulated Market of the London Stock Exchange with effect from 10 July 2014.
- (iii) Estimate of total expenses related to admission to trading: GBP 3,600

### 2 RATINGS

- Ratings: The Notes to be issued have been rated:  
S & P: A  
Moody's: A1  
Fitch: A

### 3 INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

Save as discussed in the Base Prospectus, so far as the Bank is aware, no person involved in the issue of the Notes has an interest material to the issue.

### 4 YIELD

- Indication of yield: 2.802 per cent. (calculated on a semi-annual basis)

*The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.*

### 5 OPERATIONAL INFORMATION

- ISIN Code: XS1085282652
- Common Code: 108528265
- Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking, *société anonyme* and the relevant identification number(s): Not Applicable
- Delivery: Delivery versus payment
- Names and addresses of additional Paying Agent(s) (if any): Not Applicable
- Name and address of Calculation Agent: Not Applicable
- Intended to be held in a manner which would allow Eurosystem eligibility: Yes

### 6 USE OF PROCEEDS

The net proceeds of the issue of the Notes (the “**Proceeds**”) will be used by the Bank to extend credit to small and medium-sized entities and to agriculture (“**Eligible Assets**”).

In order to qualify, Eligible Assets will need to meet each of the following three criteria:

- The first criteria (“**Tier 1 Criteria**”) are intended to ensure that the Proceeds are used in such a way as to make them eligible for ethical and socially responsible investors.
- The second criteria (“**Tier 2 Criteria**”) ensure that all lending is subject to the Bank’s internal policies which are intended to ensure fairness and transparency in providing access to finance.
- The final criteria (“**Tier 3 Criteria**”) ensure that the Proceeds are channelled towards areas related to the Bank’s “Helping Britain Prosper” plan (a corporate responsibility strategy designed to contribute to societal value in areas which are closely connected with the Bank’s products and services) and specifically its public commitment to help businesses both start up and scale up, and, in addition, for the Bank to ensure it procures its contracts in a responsible manner.

*Further details on these criteria can be found in the Annex to this Prospectus*

## GENERAL INFORMATION

1. Application has been made to the UK Listing Authority for the Notes to be admitted to the Official List and to the London Stock Exchange for such Notes to be admitted to trading on its Regulated Market. Prior to official listing and admission to trading, however, dealings will be permitted by the London Stock Exchange in accordance with its rules.
2. The Bank has obtained all necessary consents, approvals and authorisations in the United Kingdom in connection with the issue and performance of the Notes. The establishment of the Programme was authorised by resolutions of the Chairman's Committee of the Board of Directors of the Bank passed on 26 September 1996 and the update of the Programme and the issue of Notes under it was authorised by resolutions of the Board of Directors of the Bank passed on 28 November 2013.
3. Save as disclosed (i) in the section entitled "Changes to the Group's Defined Benefit pension schemes" on page 9 of the Q1 2014 Interim Management Statement and (ii) in the section entitled "Lloyds Banking Group – Recent Developments" on page 130 of the Base Prospectus, there has been no significant change in the financial position of Lloyds Bank Group since 31 December 2013, the date to which Lloyds Bank Group's last published audited financial information (as set out in the Bank's 2013 Annual Report) was prepared. There has been no material adverse change in the prospects of the Bank since 31 December 2013, the date to which Lloyds Bank Group's last published audited financial information (as set out in the Bank's 2013 Annual Report) was prepared.
4. Save as disclosed in the sub-sections entitled "Interchange fees", "Payment Protection Insurance", "Investigation and litigation relating to Interbank offered rates, and other references rates", "Litigation in relation to insurance branch business in Germany", "Interest rate hedging products", "Other regulatory matters", "U.S. shareholder litigation", "Investigation into Bank of Scotland and report on HBOS", "U.S.-Swiss tax programme" and "Tax authorities" of the section "Lloyds Banking Group – Legal Actions and Regulatory Matters" on pages 119 to 122 of the Base Prospectus, there are no governmental, legal or arbitration proceedings (including any such proceedings pending or threatened of which the Bank is aware) during the 12 months preceding the date of this Prospectus, which may have or have had in the recent past, significant effects on the financial position or profitability of the Bank or Lloyds Bank Group.
5. Each Note and Coupon will bear the following legend:

"Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code".
6. Notes have been accepted for clearance through the Euroclear and Clearstream, Luxembourg systems (which are the entities in charge of keeping the records). The address of Euroclear is 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium, and the address of Clearstream, Luxembourg is 42 Avenue JF Kennedy, L-1855 Luxembourg.
7. Where information in this Prospectus has been sourced from third parties this information has been accurately reproduced and as far as the Bank is aware and is able to ascertain from the information published by such third parties no facts have been omitted which would render the reproduced information inaccurate or misleading. The source of third party information is identified where used.
8. The following documents will be available, during usual business hours on any weekday (Saturdays and public holidays excepted), for inspection at the office of Lloyds Bank plc, 25 Gresham Street, London EC2V 7HN:

- 8.1 the Trust Deed (which includes the form of the Global Notes, the definitive Bearer Notes and the Coupons);
  - 8.2 the Articles of Association of the Bank;
  - 8.3 the Bank's 2013 Annual Report and the Bank's 2012 Annual Report; and
  - 8.4 a copy of this Prospectus, the Base Prospectus and the 15 May 2014 Supplementary Prospectus.
9. The Bank does not intend to provide post-issuance information in connection with any issue of Notes.
  10. This Prospectus will be published on the website of the Regulatory News Service operated by the London Stock Exchange at [www.londonstockexchange.com](http://www.londonstockexchange.com).
  11. Copies of the latest audited consolidated Report and Accounts of the Bank and copies of the Trust Deed will be available for inspection at the specified offices of each of the Paying Agents during normal business hours, so long as any of the Notes is outstanding.
  12. PricewaterhouseCoopers LLP, Chartered Accountants and Statutory Auditors (members of the Institute of Chartered Accountants in England and Wales) have audited, and rendered unqualified audit reports on, the annual consolidated published accounts of the Bank for the two financial years ended 31 December 2012 and 31 December 2013.

## ANNEX

### **Tier 1 Criteria**

Assets related to the following sectors will be excluded as Eligible Assets:

Exclusionary Criteria	Description
Alcohol	<ul style="list-style-type: none"> <li>• Wholesale of wine, beer, spirits and other alcoholic beverages</li> <li>• Distilling, rectifying and blending of spirits</li> </ul>
Gambling	<ul style="list-style-type: none"> <li>• Gambling and betting activities</li> </ul>
Tobacco	<ul style="list-style-type: none"> <li>• Growing of tobacco</li> <li>• Manufacture of tobacco products</li> <li>• Wholesale of tobacco products</li> <li>• Retail sale of tobacco products in specialised stores</li> </ul>
Military Weapons	<ul style="list-style-type: none"> <li>• Manufacture of military fighting vehicles</li> <li>• Manufacture of weapons and ammunition</li> </ul>
Payday lending	<ul style="list-style-type: none"> <li>• Financial Intermediation</li> <li>• Other Credit Granting</li> <li>• Specialist consumer credit grantors</li> </ul>
Fossil Fuels	<ul style="list-style-type: none"> <li>• Deep coal mines</li> <li>• Open cast coal mines</li> <li>• Mining of lignite</li> <li>• Extraction of crude petroleum</li> <li>• Extraction of natural gas</li> <li>• Extraction of peat</li> <li>• Manufacture of industrial gases</li> <li>• Manufacture of coke oven products</li> <li>• Manufacture of gas</li> </ul>
Palm Oil	<ul style="list-style-type: none"> <li>• Oil Palm Growing</li> <li>• Palm Oil Production / Refining</li> </ul>



## **Tier 2 Criteria**

To satisfy the Tier 2 Criteria, Eligible Assets must be in compliance with the Bank's Code of Business Responsibility and the Bank's SME Charter.

## **Tier 3 Criteria**

To satisfy the Tier 3 Criteria, Eligible Assets must fulfil one or more of the following requirements:

- The Eligible Assets are part of the UK's Regional Growth Fund (see below);
- The Eligible Assets are a small-scale renewable project, a project that increases energy efficiency or has climate change resilience (including flood recovery) of operations in the United Kingdom;
- The Eligible Asset is located in an area which is one of the 30 per cent. most economically disadvantaged areas of the United Kingdom; or
- The Eligible Asset is a healthcare provider in an area which is one of the 30 per cent. most economically disadvantaged areas of the United Kingdom.

### ***UK Regional Growth Fund***

To satisfy the requirements of the UK Regional Growth Fund an Eligible Asset must be related to customers who:

- are looking to purchase an asset which will be located in England in an area outside London (restrictions apply in the south east of England);
- need bank finance but lack a sufficient deposit to meet conventional lending requirements;
- are able to commit to creating and retaining jobs for a minimum of 12 months, or protecting jobs that would otherwise have been lost within 12 months;
- are a small or medium-sized entity employing fewer than 250 people and have a turnover of more than £500,000 and less than £50million per annum;
- do not operate in an ineligible or excluded sector (see below);
- do not/will not receive any other state aid in support of an asset purchase (any amount received must be deducted from the maximum possible grant);
- do not themselves, nor any member of their corporate group, in the aggregate, have previously received more than £500,000 of grants under the UK Regional Growth Fund from the Company or any of its subsidiaries;
- are not in financial difficulty, the subject of insolvency proceedings, or subject to an outstanding recovery order in relation to state aid; and
- meet normal viability criteria to qualify for a grant (viability will be considered in relation to historic and future trading expectations and business plans).

*Excluded Sectors from the UK Regional Growth Fund*

Principal exclusions relate to the purchase of equipment in the following sectors:

- Land or property for residential and/or commercial property investment or development;
- Air transport means and equipment;
- Road freight transport vehicles for the purpose of road freight transport, hire or reward;
- Fishery and aquaculture;
- Activities in the primary production, processing and marketing of agricultural products;
- Coal; and
- Export related activities, meaning export aid or aid favouring domestic over imported products.

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