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1. Purpose of this Supplement

The purpose of this Supplement is to:

(a) incorporate by reference into the Prospectus the Issuer’s 2019 Half-Year Results (as defined below), which were published via the RNS on 31 July 2019;

(b) update the no significant change statement of the Issuer and its subsidiary and associated undertakings (the Lloyds Bank Group); and

(c) update the no governmental, legal or arbitration proceedings statement of the Issuer and the Lloyds Bank Group.

2. (a) Documents Incorporated by Reference

By virtue of this Supplement, the Issuer’s 2019 Half-Year Results for the half-year to 30 June 2019, including the unaudited condensed consolidated financial statements prepared on a statutory basis for the half-year to 30 June 2019, together with the independent review report thereon, as set out on pages 8 to 55 and 57 to 58 thereof, respectively (the 2019 Half-Year Results), which have previously been filed with the Financial Conduct Authority, shall be deemed to be incorporated in, and form part of, the
Prospectus and supplement the section entitled “Documents Incorporated by Reference” on page 15 of the Prospectus.

Any documents themselves incorporated by reference in the 2019 Half-Year Results shall not form part of the Prospectus. Only certain sections of the 2019 Half-Year Results 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 Covered Bonds or are covered elsewhere in the Prospectus.

(b) General Information

Significant or Material Change

The first sentence under the paragraph headed "Significant or Material Change" on page 263 of the Prospectus, which states “There has been no significant change in the financial position of the Group since 31 December 2018, the date to which the Group's last published audited financial information (as set out in the Issuer's 2018 Annual Report) was prepared” is updated as set out below:

“There has been no significant change in the financial position of the Lloyds Bank Group since 30 June 2019, the date to which the Lloyds Bank Group’s last published unaudited interim financial information (as set out in the Issuer’s 2019 Half-Year Results) was prepared”.

(c) No governmental, legal or arbitration proceedings statement of the Issuer and the Lloyds Bank Group

The no governmental, legal or arbitration proceedings statement of the Issuer and the Lloyds Bank Group in the section entitled “Litigation Statement” on page 263 of the Prospectus is updated as set out below:

Save as disclosed in (i) the sub-sections entitled “Payment protection insurance (excluding MBNA)” and “Payment protection insurance (MBNA)” in note 13 to the 2019 Half-Year Results (on pages 35 to 36); (ii) the section entitled “Review of Performance” on page 1 of the Issuer’s Q1 Interim Management Statement for the three months ended 31 March 2019 in respect of the additional charge of £99 million taken for Payment Protection Insurance during the three months ended 31 March 2019; and (iii) the sub-sections entitled “Interchange fees”, “Payment Protection Insurance”, “Libor and other trading rates”, “Packaged bank accounts”, “Arrears handling related activities”, “Provisions for other legal actions and regulatory matters”, “UK shareholder litigation”, “Tax authorities”, “Residential mortgage repossessions”, “Mortgage arrears handling activities”, “HBOS Reading – Customer Review”, “HBOS Reading – FCA Investigation” and “Contingent liabilities in respect of other legal actions and regulatory matters” of the section “Lloyds Bank Group – Legal Actions and Regulatory Matters” on pages 169 to 172 of the Prospectus, there are no governmental, legal or arbitration proceedings (including any such proceedings pending or threatened of which the Issuer is aware) during the 12 months preceding the date of this Supplement, which may have or have had in the recent past, significant effects on the financial position or profitability of the Issuer or the Lloyds Bank Group.

The Issuer will provide, without charge, to each person to whom a copy of this Supplement 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 or in the Prospectus. Written or oral requests for such documents should be directed to the Issuer at its principal office at 25 Gresham Street, London, EC2V 7HN. Copies of the documents incorporated by reference in this Supplement will be available for viewing 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.

To the extent that there is any inconsistency between (a) any statement in this Supplement or any statement incorporated by reference into the Prospectus by this Supplement and (b) any other statement in or incorporated by reference into the Prospectus, the statements in (a) above will prevail.
Save as disclosed in this Supplement, no other significant new factor, material mistake or inaccuracy relating to information included in the Prospectus has arisen or been noted, as the case may be, since the publication of the Prospectus.