

Lloyds Banking Group plc
Form 424B2
May 11, 2015

The information in this preliminary prospectus supplement is not complete and may be changed. This preliminary prospectus supplement and the accompanying prospectus are not an offer to sell nor are they soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

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Subject to Completion
Preliminary Prospectus Supplement dated May 11, 2015

PRELIMINARY PROSPECTUS SUPPLEMENT
(to prospectus dated June 7, 2013)

\$

Lloyds Bank plc
fully and unconditionally guaranteed by

Lloyds Banking Group plc
\$ % Senior Notes due 2018
\$ % Senior Notes due 2025
\$ Floating Rate Notes due 2018

From and including the date of issuance, interest will be paid on the % senior notes due 2018 (the “2018 Fixed Rate Senior Notes”) and on the % senior notes due 2025 (the “2025 Fixed Rate Senior Notes” and, together with the 2018 Fixed Rate Senior Notes, the “Fixed Rate Senior Notes”). The interest for the Fixed Rate Senior Notes will be paid semi-annually in arrears on May and November of each year, commencing on November , 2015. The 2018 Fixed Rate Senior Notes will bear interest at a rate of % per year and the 2025 Fixed Rate Senior Notes will bear interest at a rate of % per year. Interest on the floating rate notes due 2018 (the “Floating Rate Notes”) will be payable quarterly in arrears on February , May , August and November of each year, commencing on August , 2015. In this prospectus supplement, we refer to the Fixed Rate Senior Notes and the Floating Rate Notes collectively as the “Senior Notes”.

The Senior Notes will be issued in denominations of \$200,000 and in multiples of \$1,000 in excess thereof. The Senior Notes will constitute our direct, unconditional, unsecured and unsubordinated obligations ranking pari passu, without any preference among themselves, with all our other outstanding unsecured and unsubordinated obligations, present and future, except such obligations as are preferred by operation of law. The Senior Notes are fully and unconditionally guaranteed by Lloyds Banking Group plc (“LBG”).

By purchasing the Senior Notes, each holder (including each beneficial owner) of the Senior Notes acknowledges, agrees to be bound by and consents to the exercise of any U.K. bail-in power (as defined below) by the relevant U.K. resolution authority that may result in (i) the cancellation of all, or a portion, of the principal amount of, or interest on, the Senior Notes and/or (ii) the conversion of all, or a portion, of the principal amount of, or interest on, the Senior

Notes into shares or other securities or other obligations of LBG or another person, which U.K. bail-in power may be exercised by means of variation of the terms of the Senior Notes solely to give effect to the above. Each holder (including each beneficial owner) of the Senior Notes further acknowledges and agrees that the rights of the holders under the Senior Notes are subject to, and will be varied, if necessary, solely to give effect to, the exercise of any U.K. bail-in power by the relevant U.K. resolution authority expressed to implement such a cancellation or conversion.

For these purposes, a “U.K. bail-in power” is any write-down and/or conversion power existing from time to time under any laws, regulations, rules or requirements relating to the resolution of banks, banking group companies, credit institutions and/or investment firms incorporated in the United Kingdom in effect and applicable in the United Kingdom to us or other members of the Group (as defined herein), including but not limited to any such laws, regulations, rules or requirements which are implemented, adopted or enacted within the context of a European Union directive or regulation of the European Parliament and of the Council establishing a framework for the recovery and resolution of credit institutions and investment firms and/or within the context of a U.K. resolution regime under the Banking Act 2009 as the same has been or may be amended from time to time (whether pursuant to the U.K. Financial Services (Banking Reform) Act 2013 (the “Banking Reform Act 2013”), secondary legislation or otherwise), pursuant to which obligations of a bank, banking group company, credit institution or investment firm or any of its affiliates can be reduced, cancelled, transferred and/or converted into shares or other securities or obligations of the obligor or any other person (and a reference to the “relevant U.K. resolution authority” is to any authority with the ability to exercise a U.K. bail-in power).

By purchasing the Senior Notes, each holder (including each beneficial owner) of the Senior Notes, to the extent permitted by the Trust Indenture Act of 1939, as amended (the “TIA”), waives any and all claims against the Trustee (as defined below) for, agrees not to initiate a suit against the Trustee in respect of, and agrees that the Trustee shall not be liable for, any action that the Trustee takes, or abstains from taking, in either case in accordance with the exercise of the U.K. bail-in power by the relevant U.K. resolution authority with respect to the Senior Notes.

We may redeem the Senior Notes, in whole but not in part, at any time at 100% of their principal amount plus accrued interest upon the occurrence of certain tax events described in this prospectus supplement and accompanying prospectus. We intend to apply to list the Senior Notes on the New York Stock Exchange in accordance with its rules.

Investing in the Senior Notes involves risks. See “Risk Factors” beginning on page S-6 of this prospectus supplement and as incorporated by reference herein.

By its purchase of the Senior Notes, each holder (including each beneficial owner) shall be deemed to have (i) consented to the exercise of any U.K. bail-in power as it may be imposed without any prior notice by the relevant U.K. resolution authority of its decision to exercise such power with respect to the Senior Notes and (ii) authorized, directed and requested The Depository Trust Company (“DTC”) and any direct participant in DTC or other intermediary through which it holds such Senior Notes to take any and all necessary action, if required, to implement the exercise of any U.K. bail-in power with respect to the Senior Notes as it may be imposed, without any further action or direction on the part of such holder or beneficial owner.

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

	Price to Public	Underwriting Discount	Proceeds to us (before expenses)
Per 2018 Fixed Rate Senior Note		%	%
Total for 2018 Fixed Rate Senior Notes	\$	\$	\$
Per 2025 Fixed Rate Senior Note		%	%
Total for 2025 Fixed Rate Senior Notes	\$	\$	\$
Per Floating Rate Note		%	%
Total for Floating Rate Notes	\$	\$	\$
Total	\$	\$	\$

The initial public offering prices set forth above do not include accrued interest, if any. Interest on the Senior Notes will accrue from the date of issuance, which is expected to be May , 2015. See “Underwriting”.

We may use this prospectus supplement and the accompanying prospectus in the initial sale of the Senior Notes. In addition, Lloyds Securities Inc. or another of our affiliates may use this prospectus supplement and the accompanying prospectus in a market-making transaction in the Senior Notes after their initial sale. In connection with any use of this prospectus supplement and the accompanying prospectus by Lloyds Securities Inc. or another of our affiliates, unless we or our agent informs you otherwise in your confirmation of sale, you may assume this prospectus supplement and the accompanying prospectus is being used in a market-making transaction.

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We expect that the Senior Notes will be ready for delivery through the book-entry facilities of The Depository Trust Company and its participants including Clearstream Banking, S.A. (“Clearstream Luxembourg”) and Euroclear Bank S.A./N.V. (“Euroclear”) on or about May , 2015.

Joint Bookrunning Managers

BofA Merrill Lynch	Deutsche Bank Securities	J.P. Morgan	Lloyds Securities	TD Securities	Wells Fargo Securities
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Prospectus Supplement dated May , 2015

TABLE OF CONTENTS

Prospectus Supplement

	Page
About this Prospectus Supplement	S-i
Incorporation of Information by Reference	S-ii
Forward-Looking Statements	S-ii
Summary	S-1
Risk Factors	S-6
Use of Proceeds	S-11
Capitalization of the Group	S-11
Ratio of Earnings to Fixed Charges	S-11
Description of the Senior Notes	S-12
Certain U.K. and U.S. Federal Tax Consequences	S-20
Underwriting	S-25
Legal Opinions	S-27
Experts	S-28

Prospectus

About this Prospectus	1
Use of Proceeds	1
Lloyds Banking Group plc	1
Lloyds TSB Bank plc	2
Description of Debt Securities	2
Description of Preference Shares	16
Description of American Depositary Shares	21
Plan of Distribution	28
Legal Opinions	29
Experts	29
Enforcement of Civil Liabilities	29
Where You Can Find More Information	30
Incorporation of Documents by Reference	30
Cautionary Statement on Forward-Looking Statements	31

You should rely only on the information contained or incorporated by reference in this prospectus supplement and the accompanying prospectus (including any free writing prospectus issued or authorized by us). Neither we nor the underwriters have authorized anyone to provide you with different information. Neither we nor the underwriters are making an offer of these securities in any state or jurisdiction where the offer is not permitted. You should assume that the information contained in this prospectus supplement, the accompanying prospectus and the documents incorporated by reference is accurate only as of their respective dates.

ABOUT THIS PROSPECTUS SUPPLEMENT

In this prospectus supplement, we use the following terms:

- “we,” “us,” “our” and “Lloyds Bank” mean Lloyds Bank plc;
- “LBG” means Lloyds Banking Group plc;
- “Group” means Lloyds Banking Group plc together with its subsidiaries and associated undertakings;

S-i

- “SEC” refers to the Securities and Exchange Commission;
 - “pounds sterling”, “£” 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.

INCORPORATION OF INFORMATION BY REFERENCE

LBG files annual, semi-annual and special reports and other information with the Securities and Exchange Commission. You may read and copy any document that LBG files with the SEC at the SEC’s Public Reference Room, 100 F Street, N.E., Washington, D.C. 20549. You can call the SEC on 1-800-SEC-0330 for further information on the Public Reference Room. The SEC’s website, at <http://www.sec.gov>, contains, free of charge, reports and other information in electronic form that we have filed. You may also request a copy of any filings referred to below (excluding exhibits) at no cost, by contacting us at 25 Gresham Street, London EC2V 7HN, England, telephone +44 207 626 1500.

The SEC allows us and LBG to incorporate by reference much of the information that LBG files with them. This means:

- incorporated documents are considered part of this prospectus supplement;
- we and LBG can disclose important information to you by referring you to these documents; and
- information that LBG files with the SEC will automatically update and supersede this prospectus supplement.

We incorporate by reference (i) LBG’s Annual Report on Form 20-F for the year ended December 31, 2014 filed with the SEC on March 12, 2015, (ii) LBG’s report on Form 6-K filed with the SEC on March 12, 2015 disclosing the ratio of earnings to fixed charges and the ratio of earnings to combined fixed charges and preference dividends, (iii) LBG’s report on Form 6-K filed with the SEC on March 20, 2015 disclosing an offer for TSB Banking Group PLC, (iv) LBG’s report on Form 6-K filed with the SEC on March 27, 2015 disclosing a circular to shareholders in respect of re-launch of the Dividend Re-Investment Plan (“DRIP”), (v) LBG’s report on Form 6-K filed with the SEC on March 31, 2015 disclosing an update on the Enhanced Capital Notes, (vi) LBG’s report on Form 6-K filed with the SEC on May 1, 2015 including the interim results for LBG for the three months ended March 31, 2015; and (vii) LBG’s report on Form 6-K filed with the SEC on May 1, 2015 disclosing the Group’s capitalization and indebtedness on a consolidated basis as at March 31, 2015.

We and LBG also incorporate by reference in this prospectus supplement and accompanying prospectus any future documents LBG may file with the SEC under Section 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), from the date of this prospectus supplement until the offering contemplated in this prospectus supplement is completed. Reports on Form 6-K that LBG may furnish to the SEC after the date of this prospectus supplement (or portions thereof) are incorporated by reference in this prospectus supplement only to the extent that the report expressly states that it is (or such portions are) incorporated by reference in this prospectus supplement.

FORWARD-LOOKING STATEMENTS

From time to time, we or LBG may make statements, both written and oral, regarding assumptions, projections, expectations, intentions or beliefs about future events. These statements constitute “forward-looking statements” for purposes of the Private Securities Litigation Reform Act of 1995. We and LBG caution that these statements may and often do vary materially from actual results. Accordingly, neither we nor LBG can assure you that actual results will not differ materially from those expressed or implied by the forward-looking statements.

S-ii

You should read the sections entitled “Risk Factors” in this prospectus supplement and “Forward-Looking Statements” in LBG’s Annual Report on Form 20-F for the year ended December 31, 2014, which is incorporated by reference herein.

Neither we nor LBG undertake any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. In light of these risks, uncertainties and assumptions, forward-looking events discussed in this prospectus supplement or any information incorporated by reference, might not occur.

S-iii

SUMMARY

The following is a summary of this prospectus supplement and should be read as an introduction to, and in conjunction with, the remainder of this prospectus supplement, the accompanying prospectus and any documents incorporated by reference therein. You should base your investment decision on a consideration of this prospectus supplement, the accompanying prospectus and any documents incorporated by reference therein, as a whole. Words and expressions defined in “Description of the Senior Notes” below shall have the same meanings in this summary.

The Issuer

Lloyds Bank plc (“Lloyds Bank”) was incorporated under the laws of England and Wales on April 20, 1865 (registration number 2065). Lloyds Bank’s registered office is at 25 Gresham Street, London EC2V 7HN, United Kingdom, telephone number +44 (0) 20 7626 1500. Lloyds Bank plc is a wholly owned subsidiary of LBG. On September 23, 2013, Lloyds Bank changed its name from Lloyds TSB Bank plc to Lloyds Bank plc following the launch of TSB Bank on September 9, 2013, ahead of its divestment as required by a ruling by the European Commission in 2009.

General

Issuer	Lloyds Bank plc
Guarantor	Lloyds Banking Group plc
Senior Notes	<p>\$ aggregate principal amount of % Senior Notes due 2018 (the “2018 Fixed Rate Senior Notes”).</p> <p>\$ aggregate principal amount of % Senior Notes due 2025 (the “2025 Fixed Rate Senior Notes”).</p> <p>\$ aggregate principal amount of Floating Rate Notes due 2018 (the “Floating Rate Notes”).</p>

In this prospectus supplement, we refer to the 2018 Fixed Rate Senior Notes and the 2025 Fixed Rate Senior Notes collectively as the “Fixed Rate Senior Notes”, to the Floating Rate Notes as the “Floating Rate Notes” and to the Fixed Rate Senior Notes and the Floating Rate Notes collectively as the “Senior Notes”.

Issue Date	May , 2015
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PROVISIONS APPLICABLE TO THE FIXED RATE SENIOR NOTES

Maturity	We will pay the Fixed Rate Senior Notes at 100% of their principal amount plus accrued interest on May , 2018 for the 2018 Fixed Rate Senior Notes and on May , 2025 for the 2025 Fixed Rate Senior Notes.
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Interest Rate

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The 2018 Fixed Rate Senior Notes will bear interest at a rate of % per annum.

The 2025 Fixed Rate Senior Notes will bear interest at a rate of % per annum.

S-1

Interest Payment Dates Every May and November , commencing on November , 2015, in respect of the 2018 Fixed Rate Senior Notes.

Every May and November , commencing on November , 2015, in respect of the 2025 Fixed Rate Senior Notes.

Regular Record Dates Interest will be paid to holders of record of the Fixed Rate Senior Notes in respect of the principal amount thereof outstanding 15 calendar days preceding the relevant Interest Payment Date, whether or not a business day.

Business Day Convention Following, unadjusted

Day Count Basis 30/360

PROVISIONS APPLICABLE TO THE FLOATING RATE NOTES

Maturity We will pay the Floating Rate Notes at 100% of their principal amount plus accrued interest on May , 2018.

Interest The interest rate for the Floating Rate Notes for the first Floating Rate Interest Period (as defined below) will be LIBOR (as defined below) as determined on May , 2015 plus the Spread. Thereafter, the interest rate for each Floating Rate Interest Period will be LIBOR as determined on the applicable Interest Determination Date (as defined below) plus the Spread.

Spread basis points.

Interest Payment Dates Interest on the Floating Rates Notes will be paid quarterly in arrears on February , May , August and November of each year, commencing on August , 2015 (each, a “Floating Rate Interest Payment Date”).

Regular Record Dates Interest will be paid to holders of record of the Floating Rate Notes in respect of the principal amount thereof outstanding 15 calendar days preceding the relevant Interest Payment Date, whether or not a business day.

Interest Reset Dates Floating Rate Interest Payment Dates.

Interest Periods The first interest period will begin on and include May , 2015 and will end on and exclude August , 2015. Thereafter, the interest periods will be the periods from and including an Interest Payment Date to but excluding the

immediately succeeding Interest Payment Date (together with the first interest period, each a “Floating Rate Interest Period”). However, the final Floating Rate Interest Period will be the period from and including the Interest Payment Date immediately preceding the Maturity Date to but excluding the Maturity Date.

Interest Determination Date

Interest for each Floating Rate Interest Period will be determined on the second London Banking Day (as defined below) preceding the first day of such Floating Rate Interest Period.

S-2

Business Day Convention	Actual/360
Day Count Basis	Modified following, adjusted
Calculation Agent	The Bank of New York Mellon

PROVISIONS APPLICABLE TO ALL OF THE SENIOR NOTES

Ranking

The Senior Notes will constitute our direct, unconditional, unsecured and unsubordinated obligations ranking pari passu, without any preference among themselves, with all our other outstanding unsecured and unsubordinated obligations, present and future, except such obligations as are preferred by operation of law.

Agreement with Respect to the Exercise of U.K. Bail-in Power

By purchasing the Senior Notes, each holder (including each beneficial owner) of the Senior Notes acknowledges, agrees to be bound by and consents to the exercise of any U.K. bail-in power (as defined below) by the relevant U.K. resolution authority that may result in (i) the cancellation of all, or a portion, of the principal amount of, or interest on, the Senior Notes and/or (ii) the conversion of all, or a portion, of the principal amount of, or interest on, the Senior Notes into shares or other securities or other obligations of LBG or another person, which U.K. bail-in power may be exercised by means of variation of the terms of the Senior Notes solely to give effect to the above. Each holder (including each beneficial owner) of the Senior Notes further acknowledges and agrees that the rights of the holders under the Senior Notes are subject to, and will be varied, if necessary, solely to give effect to, the exercise of any U.K. bail-in power by the relevant U.K. resolution authority expressed to implement such a cancellation or conversion.

For these purposes, a “U.K. bail-in power” is any write-down and/or conversion power existing from time to time under any laws, regulations, rules or requirements relating to the resolution of banks, banking group companies, credit institutions and/or investment firms incorporated in the United Kingdom in effect and applicable in the United Kingdom to us or other members of the Group, including but not limited to any such laws, regulations, rules or requirements which are implemented, adopted or enacted within the context of a European Union directive or regulation of the European Parliament and of the Council establishing a framework for the recovery and resolution of credit institutions and investment firms and/or within the context of a U.K. resolution regime under the Banking Act as the same has been or may be

amended from time to time (whether pursuant to the Banking Reform Act 2013, secondary legislation or otherwise), pursuant to which obligations of a bank, banking group company, credit institution or investment firm or any of its affiliates can be reduced, cancelled, transferred and/or converted into shares or other securities or obligations of the obligor or any other person (and a reference to the “relevant U.K. resolution authority” is to any authority with the ability to exercise a U.K. bail-in power).

Repayment of Principal and Payment of Interest After Exercise of U.K. Bail-in Power	No repayment of the principal amount of the Senior Notes or payment of interest on the Senior Notes shall become due and payable after the exercise of any U.K. bail-in power by the relevant U.K. resolution authority unless, at the time that such repayment or payment, respectively, is scheduled to become due, such repayment or payment would be permitted to be made by us under the laws and regulations of the United Kingdom and the European Union applicable to us and the Group.
Guarantee	Payment in full to the holders of the Senior Notes and payment in full to the Trustee of amounts due and owing under the senior debt indenture are fully and unconditionally guaranteed by LBG. The guarantee will constitute LBG's direct, unconditional, unsecured and unsubordinated obligations ranking pari passu with all of LBG's other outstanding unsecured and unsubordinated obligations, present and future, except such obligations as are preferred by operation of law.
Additional Issuances	We may, without the consent of the holders of the Senior Notes, issue additional notes having the same ranking and same interest rate, maturity date, redemption terms and other terms as the Senior Notes described in this prospectus supplement except for the price to the public, issue date and first interest payment date, provided however that such additional notes of any series must be fungible with the outstanding Senior Notes of that series for U.S. federal income tax purposes. See "Description of the Senior Notes—Additional Issuances" in this prospectus supplement.
Tax Redemption	In the event of various tax law changes that require us to pay additional amounts and other limited circumstances as described under "Description of the Senior Notes—Tax Redemption" in this prospectus supplement and "Description of Debt Securities—Redemption" in the accompanying prospectus we may redeem all, but not less than all, of the Senior Notes of any series prior to maturity.
Book-Entry Issuance, Settlement and Clearance	We will issue the Senior Notes in fully registered form in denominations of \$200,000 and integral multiples of \$1,000 in excess thereof. The Senior Notes will be represented by one or more global securities registered in the name of a nominee of DTC. You will hold beneficial interests in the Senior Notes through DTC and its direct and indirect participants, including Euroclear and Clearstream Luxembourg, and DTC and its direct and indirect participants will record your beneficial interest on their books. We will not issue certificated notes as described in the accompanying prospectus. Settlement of the Senior Notes will occur through DTC in same day funds. For information on DTC's book-entry system, see "Description of Debt Securities—Form of Debt Securities; Book-Entry System" in the accompanying prospectus.
CUSIP	for the 2018 Fixed Rate Senior Notes for the 2025 Fixed Rate Senior Notes for the Floating Rate Notes
ISIN	for the 2018 Fixed Rate Senior Notes for the 2025 Fixed Rate Senior Notes

for the Floating Rate Notes

S-4

Common Code	for the 2018 Fixed Rate Senior Notes for the 2025 Fixed Rate Senior Notes for the Floating Rate Notes
Listing and Trading	We intend to apply to list the Senior Notes on the New York Stock Exchange.
Trustee and Principal Paying Agent	The Bank of New York Mellon, acting through its London office, a banking corporation duly organized and existing under the laws of the State of New York, as trustee, having its Corporate Trust Office at One Canada Square, London E14 5AL, United Kingdom, will act as the trustee and initial principal paying agent for the Senior Notes.
Timing and Delivery	We currently expect delivery of the Senior Notes to occur on May , 2015, which will be the third business day following the pricing of the Senior Notes (such settlement cycle being referred to as “T+3”).
Use of Proceeds	We intend to use the net proceeds of the offering for general corporate purposes. See “Use of Proceeds”.
Joint Bookrunning Managers	Deutsche Bank Securities Inc., J.P. Morgan Securities LLC, Lloyds Securities Inc., Merrill Lynch, Pierce, Fenner & Smith Incorporated, TD Securities (USA) LLC and Wells Fargo Securities, LLC
Conflict of Interest	A conflict of interest (as defined by Rule 5121 of FINRA) may exist as Lloyds Securities Inc., an affiliate of the Issuer, may participate in the distribution of the Senior Notes. For further information, see “Underwriting”.
Governing Law	The Senior Indenture (as defined below), the Fifth Supplemental Indenture (as defined below), the Senior Notes and the guarantee are governed by, and construed in accordance with, the laws of the State of New York.

RISK FACTORS

Prospective investors should consider carefully the risk factors incorporated by reference into this prospectus supplement and as set out below as well as the other information set out elsewhere in this prospectus supplement (including any other documents incorporated by reference herein) and reach their own views prior to making any investment decision with respect to the Notes.

Set out below and incorporated by reference herein are certain risk factors which could have a material adverse effect on our business, operations, financial condition or prospects and cause our future results to be materially different from expected results. Our results could also be affected by competition and other factors. These factors should not be regarded as a complete and comprehensive statement of all potential risks and uncertainties we face. We have described only those risks relating to our operations or an investment in the Notes that we consider to be material. There may be additional risks that we currently consider not to be material or of which we are not currently aware, and any of these risks could have the effects set forth below. All of these factors are contingencies which may or may not occur and we are not in a position to express a view on the likelihood of any such contingency occurring. Investors should note that they bear our solvency risk. Each of the risks highlighted below could have a material adverse effect on the amount of principal and interest which investors will receive in respect of the Notes. In addition, each of the highlighted risks could adversely affect the trading price of the Notes or the rights of investors under the Notes and, as a result, investors could lose some or all of their investment. You should consult your own financial, tax and legal advisers regarding the risks of an investment in the Notes.

We believe that the factors described below as relating to the Notes represent the principal risks inherent in investing in Notes, but we may be unable to pay interest, principal or other amounts on or in connection with the Notes for other reasons and we do not represent that the statements below regarding the risks of holding the Notes are exhaustive. Prospective investors should also read the detailed information set out elsewhere in this prospectus supplement (including any documents deemed to be incorporated by reference herein) and reach their own views prior to making any investment decision.

Lloyds Bank is a principal operating subsidiary of LBG and accounts for a significant portion of the consolidated assets, liabilities and operating profits of LBG. Accordingly, the risk factors incorporated by reference which relate to LBG and the Group will also be of relevance to Lloyds Bank.

Risks relating to Lloyds Bank, LBG and the Group

For a description of the risks associated with Lloyds Bank, LBG and the Group, see the section entitled “Risk Factors” of our Annual Report on Form 20-F for the year ended December 31, 2014, which is incorporated by reference herein.

Risks relating to the Senior Notes

The Senior Notes are unsecured and are effectively subordinated to our secured indebtedness.

Our Senior Notes are unsecured, will be effectively subordinated to all secured indebtedness we may incur, to the extent of the assets securing such indebtedness. The indenture relating to our Senior Notes does not restrict our ability to incur secured indebtedness in the future. In the event of our insolvency, bankruptcy, liquidation, reorganization, dissolution or winding up, to the extent we have granted security over our assets, the assets securing such indebtedness will be used to satisfy the obligations under such indebtedness before we can make payments on the Senior Notes. There may only be limited assets available to make payments on the Senior Notes in the event of an acceleration of the Senior Notes and we may not have sufficient assets to pay amounts due on any or all of our Senior

Notes then outstanding.

An active trading market may not develop for the Senior Notes.

Prior to the offering, there was no existing trading market for the Senior Notes. We intend to apply for listing of the Senior Notes on the New York Stock Exchange.

S-6

If, however, an active trading market does not develop or is not maintained, the market price and liquidity of the Senior Notes may be adversely affected. In that case, holders of the Senior Notes may not be able to sell Senior Notes at a particular time or may not be able to sell Senior Notes at a favorable price. The liquidity of any market for the Senior Notes will depend on a number of factors including:

- the number of holders of the Senior Notes;
- Lloyds Bank's and LBG's credit ratings published by major credit rating agencies;
 - our financial performance;
 - the market for similar securities;
- the interest of securities dealers in making a market in the notes;
 - prevailing interest rates; and
- the introduction of any financial transaction tax.

We cannot assure you that an active market for the notes will develop or, if developed, that it will continue.

Lloyds Bank's and LBG's credit ratings may not reflect all risks of an investment in the Senior Notes and the guarantee, and a downgrade in credit ratings, including as a result of changes in rating agencies' views of the level of implicit sovereign support for European banks, could adversely affect the trading prices of the Senior Notes.

LBG's credit ratings may not reflect the potential impact of all risks relating to the market values of the Senior Notes and the guarantee. However, real or anticipated changes in Lloyds Bank's or LBG's credit ratings will generally affect the market values of the Senior Notes and the guarantee. Credit rating agencies continually revise their ratings for companies that they follow, including Lloyds Bank and LBG and as such, the credit rating of Lloyds Bank and LBG may be revised, suspended or withdrawn at any time by the assigning rating organization at their sole discretion. Any ratings downgrade could adversely affect the trading prices of the Senior Notes or the trading markets for the Senior Notes to the extent trading markets for the Senior Notes develop, and any ratings improvement will not necessarily increase the value of the Senior Notes and will not reduce market risk and other investment risks related to the Senior Notes. Credit ratings (i) do not reflect the risk that interest rates may rise, which may affect the values of the Senior Notes, which accrue interest at a fixed rate, (ii) do not address the price, if any, at which the Senior Notes may be resold prior to maturity (which may be substantially less than the original offering price of the Senior Notes), and (iii) are not recommendations to buy, sell or hold the Senior Notes.

We may redeem the Senior Notes at any time for certain tax reasons.

We may redeem the Senior Notes of any series at any time in whole (but not in part) upon the occurrence of certain tax changes as described in this prospectus supplement and accompanying prospectus.

As the Fixed Rate Senior Notes pay a fixed rate of interest, it is possible you may receive below-market interest.

As the interest payable on the Fixed Rate Senior Notes accrues at a fixed rate, there can be no guarantee that the interest you will receive will be greater than market interest rates at any time during the term of the Fixed Rate Senior Notes. Neither we nor LBG have any control over a number of factors that may affect market interest rates, including economic, financial, and political events, such as the tightening of monetary policy, that are important in determining

the existence, magnitude, and longevity of these risks and their results.

You should have a view as to the applicable fixed interest rate on the Fixed Rate Senior Notes and their levels relative to market interest rates before investing.

S-7

Under the terms of the Senior Notes, you have agreed to be bound by and consent to the exercise of any U.K. bail-in power by the relevant U.K. resolution authority.

By purchasing the Senior Notes, each holder (including each beneficial owner) of the Senior Notes acknowledges, agrees to be bound by and consents to the exercise of any U.K. bail-in power (as defined below) by the relevant U.K. resolution authority that may result in (i) the cancellation of all, or a portion, of the principal amount of, or interest on, the Senior Notes and/or (ii) the conversion of all, or a portion, of the principal amount of, or interest on, the Senior Notes into shares or other securities or other obligations of LBG or another person, which U.K. bail-in power may be exercised by means of variation of the terms of the Senior Notes solely to give effect to the above. Each holder (including each beneficial owner) of the Senior Notes further acknowledges and agrees that the rights of the holders under the Senior Notes are subject to, and will be varied, if necessary, solely to give effect to, the exercise of any U.K. bail-in power by the relevant U.K. resolution authority expressed to implement such a cancellation or conversion. See “—Holders of the Senior Notes may be required to absorb losses in the event we become subject to recovery and resolution action”.

For these purposes, a “U.K. bail-in power” is any write-down and/or conversion power existing from time to time under any laws, regulations, rules or requirements relating to the resolution of banks, banking group companies, credit institutions and/or investment firms incorporated in the United Kingdom in effect and applicable in the United Kingdom to us or other members of the Group, including but not limited to any such laws, regulations, rules or requirements which are implemented, adopted or enacted within the context of a European Union directive or regulation of the European Parliament and of the Council establishing a framework for the recovery and resolution of credit institutions and investment firms and/or within the context of a U.K. resolution regime under the Banking Act, as the same has been or may be amended from time to time (whether pursuant to the Banking Reform Act 2013, secondary legislation or otherwise), pursuant to which obligations of a bank, banking group company, credit institution or investment firm or any of its affiliates can be reduced, cancelled, transferred and/or converted into shares or other securities or obligations of the obligor or any other person (and a reference to the “relevant U.K. resolution authority” is to any authority with the ability to exercise a U.K. bail-in power). For more information, see “Description of the Notes—Agreement with Respect to the Exercise of U.K. Bail-in Power”.

Holders of the Senior Notes may be required to absorb losses in the event we become subject to recovery and resolution action.

The final text of the Bank Recovery and Resolution Directive (the “BRRD”), establishing a framework for the prevention, management and resolution of failing banks, was published in the Official Journal of the European Union on June 12, 2014 and entered into force on July 2, 2014, with Member States required to adopt necessary implementing measures under national law by no later than December 31, 2014. In the U.K., the Banking Reform Act 2013 made provision for certain aspects of the “bail-in” power and further legislation was enacted during 2014 in order to give full effect to the majority of the provisions of BRRD from January 1, 2015.

The stated aim of the BRRD is to provide authorities designated by Member States to apply the resolution tools and exercise the resolution powers set forth in the BRRD (the “resolution authorities”) with common tools and powers to address banking crises pre-emptively in order to safeguard financial stability and minimize taxpayers’ exposure to losses. The powers granted to resolution authorities under the BRRD include (but are not limited to) (i) a “write-down and conversion power” relating to Tier 1 and Tier 2 capital instruments and (ii) a “bail-in” power relating to eligible liabilities (including the Senior Notes). Such powers give resolution authorities the ability to write down or write off all or a portion of the claims of certain unsecured creditors of a failing institution or group and/or to convert certain debt claims into another security, including ordinary shares of the surviving Group entity, if any, which ordinary shares may also be subject to write-down or write-off. Such powers were implemented with effect from January 1,

2015.

The conditions for use of the bail-in power are, in summary, that (i) the regulator determines that the bank is failing or likely to fail, (ii) having regard to timing and other relevant circumstances, it is not reasonably likely that (ignoring the stabilization powers) action will be taken by or in respect of the bank to avoid the failure of the bank, (iii) the relevant U.K. resolution authority determines that it is necessary having regard to the public interest to exercise the bail-in power in the advancement of one of the statutory objectives of resolution and (iv) that one or more of those objectives would not be met to the same extent by the winding up of the bank.

S-8

The BRRD, as implemented, contains certain other limited safeguards for creditors in specific circumstances which (a) in the case of the write-down and conversion power, may provide compensation to holders of the relevant capital instruments via the issue or transfer of ordinary shares of the bank or its parent undertaking in certain circumstances and (b) in the case of senior creditors (such as holders of the Senior Notes), aim to ensure that they do not incur greater losses than they would have incurred had the relevant financial institution been wound up under normal insolvency proceedings.

In addition to the BRRD described above, it is possible that the exercise of other powers under the U.K. Banking Act 2009, as amended (the “Banking Act”), to resolve failing banks in the United Kingdom and give the authorities powers to override events of default or termination rights that might be invoked as a result of the exercise of the resolution powers, could have a material adverse effect on the rights of holders of the Senior Notes, including through a material adverse effect on the price of the Senior Notes. The Banking Act also gives the Bank of England the power to override, vary or impose contractual obligations between a U.K. bank, its holding company and its group undertakings for reasonable consideration, in order to enable any transferee or successor bank to operate effectively. There is also power for the U.K. Treasury to amend the law (excluding provisions made by or under the Banking Act) for the purpose of enabling it to use the regime powers effectively, potentially with retrospective effect. In addition, the Banking Act may be further amended and/or other legislation may be introduced in the United Kingdom to amend the resolution regime that would apply in the event of a bank failure or to provide regulators with other resolution powers.

Finally, the determination that all or part of the principal amount of any series of Senior Notes will be subject to bail-in is likely to be inherently unpredictable and may depend on a number of factors which may be outside of our control. This determination will also be made by the relevant U.K. resolution authority and there may be many factors, including factors not directly related to us or the Group, which could result in such a determination. Because of this inherent uncertainty, it will be difficult to predict when, if at all, the exercise of a U.K. bail-in power may occur which would result in a principal write-off or conversion to other securities, including equity. Moreover, as the criteria that the relevant U.K. resolution authority will be obliged to consider in exercising any U.K. bail-in power provide it with considerable discretion, holders of the Senior Notes may not be able to refer to publicly available criteria in order to anticipate a potential exercise of any such power and consequently its potential effect on us, the Group and the Senior Notes. Potential investors in the Senior Notes should consider the risk that a holder may lose all of its investment, including the principal amount plus any accrued interest, if such statutory loss absorption measures are acted upon.

Holders of Senior Notes may have limited rights or no rights to challenge any decision of the relevant U.K. resolution authority to exercise the U.K. bail-in power or to have that decision reviewed by a judicial or administrative process or otherwise.

Accordingly, trading behavior in respect of the Senior Notes is not necessarily expected to follow the trading behavior associated with other types of securities that are not subject to such recovery and resolution powers. Potential investors in the Senior Notes should consider the risk that a holder of the Senior Notes may lose all of its investment, including the principal amount plus any accrued and unpaid interest, if such statutory loss absorption measures are acted upon or that the Senior Notes may be converted into ordinary shares. Further, the introduction or amendment of such recovery and resolution powers, and/or any implication or anticipation that they may be used, may have a significant adverse effect on the market price of the Senior Notes, even if such powers are not used.

The Senior Notes may not be a suitable investment for investors.

An investor should reach a decision to invest in the Senior Notes after carefully considering, in conjunction with his or her advisors, the suitability of the Senior Notes in light of his or her investment objectives and the other information set out in this prospectus supplement and the prospectus. Neither the Issuer nor the Underwriters makes any recommendation as to whether the Senior Notes are a suitable investment for any person.

S-9

The Senior Notes are not bank deposits and are not insured or guaranteed by the Federal Deposit Insurance Corporation, the Deposit Insurance Fund, or any other government agency.

The Senior Notes are our obligations but are not bank deposits. In the event of our insolvency, the Senior Notes will rank equally with our other unsecured, unsubordinated obligations and will not have the benefit of any insurance or guarantee of the Federal Deposit insurance Corporation, The Deposit Insurance Fund, or any other government agency.

Investors should be aware that the materialization of any of the above risks (including those risks incorporated herein by reference) may adversely affect the value of the Senior Notes and the guarantee.

S-10

USE OF PROCEEDS

The net proceeds from the sale of the Senior Notes, less the underwriting compensation stated on the cover of this prospectus supplement and expenses payable by us estimated at \$, are estimated to be \$. These proceeds will be used for general corporate purposes.

CAPITALIZATION OF THE GROUP

The Group's capitalization and indebtedness on a consolidated basis in accordance with IFRS as at March 31, 2015 is set out in the report on Form 6-K dated May 1, 2015, which is incorporated by reference herein.

RATIO OF EARNINGS TO FIXED CHARGES

The Group's ratio of earnings to fixed charges for the years ended December 31, 2014, 2013, 2012, 2011 and 2010 is set out in the report on Form 6-K dated March 12, 2015, which is incorporated by reference herein.

DESCRIPTION OF THE SENIOR NOTES

In this prospectus supplement, we refer to the 2018 Fixed Rate Senior Notes and the 2025 Fixed Rate Senior Notes collectively as the “Fixed Rate Senior Notes”, to the Floating Rate Notes due 2018 as the “Floating Rate Notes” and to the Fixed Rate Senior Notes and the Floating Rate Notes collectively as the “Senior Notes”. The following is a summary of certain terms of the Senior Notes. It supplements the description of the general terms of the debt securities of any series we may issue contained in the accompanying prospectus under the heading “Description of Debt Securities”. If there is any inconsistency between the following summary and the description in the accompanying prospectus, the following summary governs.

Fixed Rate Senior Notes

The 2018 Fixed Rate Senior Notes will be issued in an aggregate principal amount of \$ _____ and will mature on May _____, 2018 and the 2025 Fixed Rate Senior Notes will be issued in an aggregate principal amount of \$ _____ and will mature on May _____, 2025. From and including the date of issuance, interest will accrue on the 2018 Fixed Rate Senior Notes at a rate of _____ % per annum and on the 2025 Fixed Rate Senior Notes at a rate of _____ % per annum. Interest will accrue on the Fixed Rate Senior Notes from May _____, 2015 and will be payable semi-annually in arrears on May _____ and November _____ of each year, commencing on November _____, 2015. Interest will be paid to holders of record of the Fixed Rate Senior Notes in respect of the principal amount thereof outstanding 15 calendar days preceding the relevant interest payment date, whether or not a business day.

Interest on the Fixed Rate Senior Notes will be calculated on the basis of a 360-day year consisting of twelve 30-day months and, in the case of an incomplete month, on the basis of the actual number of days elapsed in such period. If any scheduled interest payment date is not a business day, we will pay interest on the next business day, but interest on that payment will not accrue during the period from and after the scheduled interest payment date. If the scheduled maturity date or date of redemption or repayment is not a business day, we may pay interest and principal on the next succeeding business day, but interest on that payment will not accrue during the period from and after the scheduled maturity date or date of redemption or repayment.

Floating Rate Notes

The entire principal amount of the Floating Rate Notes will mature and become due and payable, together with any accrued and unpaid interest, on May _____, 2018.

The interest rate for the Floating Rate Notes for the first Floating Rate Interest Period (as defined below) will be LIBOR (as defined below) as determined on May _____, 2015 plus the Spread. Thereafter, the interest rate for each Floating Rate Interest Period other than the first Floating Rate Interest Period will be LIBOR as determined on the applicable Interest Determination Date (as defined below) plus the Spread, calculated on the basis of a 360-day year and the actual number of days elapsed. The Spread is _____ basis points for the Floating Rate Notes.

The first Floating Rate Interest Payment Date (as defined below) will fall on August _____, 2015. Thereafter, interest on the Floating Rate Notes will be paid quarterly in arrears on February _____, May _____, August _____ and November _____ of each year (together with the initial interest payment date, each a “Floating Rate Interest Payment Date”). However, if a Floating Rate Interest Payment Date would fall on a day that is not a business day, other than the interest payment date that is also the date of maturity, the Floating Rate Interest Payment Date will be postponed to the next succeeding day that is a business day and interest thereon will continue to accrue, except that if the business day falls in the next succeeding calendar month, the applicable Floating Rate Interest Payment Date will be the immediately preceding business day. In each such case, except for the Floating Rate Interest Payment Date falling on

the maturity date, the Floating Rate Interest Periods and the Interest Reset Dates (as defined below) will be adjusted accordingly to calculate the amount of interest payable on the notes.

The interest rate will be reset on each Floating Rate Interest Payment Date (together with the initial interest reset date, each an "Interest Reset Date"). However, if any Interest Reset Date would otherwise be a day that is not a business day, that Interest Reset Date will be postponed to the next succeeding day that is a business day, except that if the business day falls in the next succeeding calendar month, the applicable Interest Reset Date will be the immediately preceding business day.

S-12

Interest will be paid on the Floating Rate Notes to holders of record of each Floating Rate Note in respect of the principal amount thereof as at the 15th calendar day prior to the relevant Floating Rate Interest Payment Date.

The first interest period will begin on and include May , 2015 and will end on and exclude August , 2015. Thereafter, the interest period will be the periods from and including a Floating Rate Interest Payment Date to but excluding the immediately succeeding Floating Rate Interest Payment Date (together with the first interest period, each a "Floating Rate Interest Period"). However, the final Floating Rate Interest Period will be the period from and including the Floating Rate Interest Payment Date immediately preceding the Maturity Date to but excluding the Maturity Date.

The calculation agent in respect of the Floating Rate Notes will determine LIBOR (as defined below) for each Floating Rate Interest Period other than the first Floating Rate Interest Period on the second day in which dealings in United States dollars are transacted or, with respect to any future date, are expected to be transacted in the London interbank market (a "London Banking Day") prior to the first day of such Floating Rate Interest Period (an "Interest Determination Date").

"LIBOR," with respect to a Floating Rate Interest Period, shall be the offered rate (expressed as a percentage per annum) for deposits of U.S. dollars having a maturity of three months that appears on the Designated LIBOR Page (as defined below) as of 11:00 a.m., London time.

If no rate appears on the Designated LIBOR Page, LIBOR will be determined for such Interest Determination Date on the basis of the rates at approximately 11:00 a.m., London time, on such Interest Determination Date at which deposits in U.S. dollars are offered to prime banks in the London inter-bank market by four major banks in such market selected by the calculation agent, after consultation with us, for a term of three months and in a Representative Amount. The calculation agent will request that the principal London office of each of such banks provide a quotation of its rate. If at least two such quotations are provided, LIBOR for such Floating Rate Interest Period will be the arithmetic mean of such quotations. If fewer than two such quotations are provided, LIBOR for such Floating Rate Interest Period will be the arithmetic mean of the rates quoted at approximately 11:00 a.m. in the City of New York on such Interest Determination Date by three major banks in New York City, selected by the calculation agent, after consultation with us, for loans in United States dollars to leading European banks, for a term of three months and in a Representative Amount. If at least two such quotations provided, LIBOR for such Floating Rate Interest Period will be the arithmetic mean of such quotations. If fewer than two quotations are provided, then LIBOR for such Floating Rate Period will be LIBOR in effect with respect to the immediately preceding Floating Rate Interest Period.

"Designated LIBOR Page" means the Reuters Screen LIBOR01 display page, or any successor page, on Reuters or any successor service (or any such other service(s) as may be nominated by the British Bankers' Association for the purpose of displaying London interbank offered rates for US dollar deposits).

"Interest Determination Date" for each Floating Rate Interest Period will be the second London Banking Day preceding the first day of such Floating Rate Interest Period.

"London Banking Day" is any day in which dealings in United States dollars are transacted or, with respect to any future date, are expected to be transacted in the London interbank market.

"Representative Amount" means an amount that in the judgment of the calculation agent is representative for a single transaction in US dollars in such market at such time.

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All calculations of the calculation agent, in the absence of manifest error, will be conclusive for all purposes and binding on the Issuer and on the holders of the Floating Rate Notes.

All percentages resulting from any of the above calculations will be rounded, if necessary, to the nearest one hundred thousandth of a percentage point, with five one-millionths of a percentage point rounded upwards (e.g., 9.876545% (or .09876545) being rounded to 9.87655% (or .0987655)) and all dollar amounts used in or resulting from such calculations will be rounded to the nearest cent (with one-half cent being rounded upwards).

The interest rate on the Floating Rate Notes will in no event be higher than the maximum rate permitted by law.

S-13

General

The Senior Notes will constitute our direct, unconditional, unsecured and unsubordinated obligations ranking *pari passu*, without any preference among themselves, with all our other outstanding unsecured and unsubordinated obligations, present and future, except such obligations as are preferred by operation of law.

Each of the 2018 Fixed Rate Senior Notes and the 2025 Fixed Rate Senior Notes and the Floating Rate Notes will constitute a separate series of senior debt securities issued under an indenture dated as of January 21, 2011 (the “Senior Indenture”) among us as Issuer, LBG, as Guarantor, and The Bank of New York Mellon as trustee (the “Trustee”), as amended by a fifth supplemental indenture to be dated as of May , 2015 (the “Fifth Supplemental Indenture”) among us as Issuer, LBG, as Guarantor, and the Trustee. Book-entry interests in the Senior Notes will be issued in minimum denominations of \$200,000 and in integral multiples of \$1,000 in excess thereof.

The principal corporate trust office of the Trustee in London, United Kingdom, is designated as the principal paying agent. We may at any time designate additional paying agents or rescind the designation of paying agents or approve a change in the office through which any paying agent acts.

We will issue the Senior Notes in fully registered form. The Senior Notes will be represented by one or more global securities in the name of a nominee of The Depository Trust Company (the “DTC”). You will hold beneficial interest in the Senior Notes through the DTC and its participants. The Underwriters expect to deliver the Senior Notes through the facilities of the DTC on May , 2015. For a more detailed summary of the form of the Senior Notes and settlement and clearance arrangements, you should read “Description of Debt Securities—Form of Debt Securities; Book-Entry System” in the accompanying prospectus. Indirect holders trading their beneficial interests in the Senior Notes through the DTC must trade in the DTC’s same-day funds settlement system and pay in immediately available funds. Secondary market trading will occur in the ordinary way following the applicable rules and operating procedures of Euroclear and Clearstream Luxembourg.

Definitive debt securities will only be issued in limited circumstances described under “Description of Debt Securities—Form of Debt Securities; Book-Entry System” in the accompanying prospectus.

Payment of principal of and interest on the Senior Notes, so long as the Senior Notes are represented by global securities, will be made in immediately available funds. Beneficial interests in the global securities will trade in the same-day funds settlement system of the DTC, and secondary market trading activity in such interests will therefore settle in same-day funds.

A “business day” means any day, other than Saturday or Sunday, that is neither a legal holiday nor a day on which banking institutions are authorized or required by law or regulation to close in the City of New York or in the City of London.

All payments in respect of the Senior Notes by us, LBG or our paying agent will be made subject to any deduction or withholding that may be imposed or levied by any jurisdiction. Except as provided under “—Payment of Additional Amounts” below, no additional amounts will be paid on the Senior Notes with respect to any such amounts withheld. For the avoidance of doubt, notwithstanding anything to the contrary herein, if by reason of any agreement with the U.S. Internal Revenue Service in connection with Sections 1471-1474 of the U.S. Internal Revenue Code and the U.S. 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 or other official guidance enacted in any jurisdiction implementing, or relating to, FATCA or any intergovernmental agreement, any of us, LBG, the Trustee, our paying agent or another withholding agent deducts and withholds from any amount payable on, or in

respect of, the Senior Notes, the amounts so deducted or withheld shall be treated as having been paid to the holder of the Senior Notes, and no additional amounts will be paid on account of any such deduction or withholding. Neither we, LBG, the Trustee or our paying agent shall have any liability in connection with our compliance with any such withholding obligation under applicable law.

S-14

Agreement with Respect to the Exercise of U.K. Bail-in Power

By purchasing the Senior Notes, each holder (including each beneficial owner) of the Senior Notes acknowledges, agrees to be bound by and consents to the exercise of any U.K. bail-in power (as defined below) by the relevant U.K. resolution authority that may result in (i) the cancellation of all, or a portion, of the principal amount of, or interest on, the Senior Notes and/or (ii) the conversion of all, or a portion, of the principal amount of, or interest on, the Senior Notes into shares or other securities or other obligations of LBG or another person, which U.K. bail-in power may be exercised by means of variation of the terms of the Senior Notes solely to give effect to the above. Each holder (including each beneficial owner) of the Senior Notes further acknowledges and agrees that the rights of the holders under the Senior Notes are subject to, and will be varied, if necessary, solely to give effect to, the exercise of any U.K. bail-in power by the relevant U.K. resolution authority expressed to implement such a cancellation or conversion.

For these purposes, a “U.K. bail-in power” is any write-down and/or conversion power existing from time to time under any laws, regulations, rules or requirements relating to the resolution of banks, banking group companies, credit institutions and/or investment firms incorporated in the United Kingdom in effect and applicable in the United Kingdom to us or other members of the Group, including but not limited to any such laws, regulations, rules or requirements which are implemented, adopted or enacted within the context of a European Union directive or regulation of the European Parliament and of the Council establishing a framework for the recovery and resolution of credit institutions and investment firms and/or within the context of a U.K. resolution regime under the Banking Act as the same has been or may be amended from time to time (whether pursuant to the Banking Reform Act 2013, secondary legislation or otherwise), pursuant to which obligations of a bank, banking group company, credit institution or investment firm or any of its affiliates can be reduced, cancelled, transferred and/or converted into shares or other securities or obligations of the obligor or any other person (and a reference to the “relevant U.K. resolution authority” is to any authority with the ability to exercise a U.K. bail-in power).

According to the principles contained in the BRRD and the amendments to the Banking Act by way of the Banking Reform Act 2013, we expect that the relevant U.K. resolution authority would exercise its U.K. bail-in powers in respect of the Senior Notes having regard to the hierarchy of creditor claims (with the exception of excluded liabilities) and that the holders of the Senior Notes would be treated *pari passu* with all other *pari passu* claims at that time being subjected to the exercise of the U.K. bail-in powers.

No repayment of the principal amount of the Senior Notes or payment of interest on the Senior Notes shall become due and payable after the exercise of any U.K. bail-in power by the relevant U.K. resolution authority unless, at the time that such repayment or payment, respectively, is scheduled to become due, such repayment or payment would be permitted to be made by us under the laws and regulations of the United Kingdom and the European Union applicable to us or other members of the Group.

For a discussion of certain risk factors relating to the U.K. bail-in power, see “Risk Factors—Risks relating to the Senior Notes”.

The exercise of any U.K. bail-in power by the relevant U.K. resolution authority shall not constitute a Senior Debt Security Event of Default (as defined below) under the Senior Notes. By purchasing the Senior Notes, each holder (including each beneficial owner) of the Senior Notes: (i) acknowledges and agrees that the exercise of the U.K. bail-in power by the relevant U.K. resolution authority with respect to the Senior Notes shall not give rise to a default or event of default for purposes of Section 315(b) (Notice of Default) and Section 315(c) (Duties of the Trustee in Case of Default) of the TIA; and (ii) to the extent permitted by the TIA, waives any and all claims against the Trustee for, agrees not to initiate a suit against the Trustee in respect of, and agrees that the Trustee shall not be liable for, any action that the Trustee takes, or abstains from taking, in either case in accordance with the exercise of the U.K. bail-in

power by the relevant U.K. resolution authority with respect to the Senior Notes.

By purchasing the Senior Notes, each holder (including each beneficial owner) shall be deemed to have (i) consented to the exercise of any U.K. bail-in power as it may be imposed without any prior notice by the relevant U.K. resolution authority of its decision to exercise such power with respect to the Senior Notes and (ii) authorized, directed and requested DTC and any direct participant in DTC or other intermediary through which it holds such Senior Notes to take any and all necessary action, if required, to implement the exercise of any U.K. bail-in power with respect to the Senior Notes as it may be imposed, without any further action or direction on the part of such holder or beneficial owner.

S-15

Upon the exercise of the U.K. bail-in power by the relevant U.K. resolution authority with respect to the Senior Notes, we shall provide a written notice to DTC as soon as practicable regarding such exercise of the U.K. bail-in power for purposes of notifying holders of such occurrence. We shall also deliver a copy of such notice to the Trustee for information purposes.

Additional Issuances

We may, without the consent of the holders of the Senior Notes, issue additional notes having the same ranking and same interest rate, maturity date, redemption terms and other terms as the Senior Notes described in this prospectus supplement except for the price to the public, issue date and first interest payment date, provided however that such additional notes must be fungible with the outstanding Senior Notes of the relevant series for U.S. federal income tax purposes. Any such additional notes, together with the Senior Notes of the relevant series offered by this prospectus supplement, will constitute a single series of securities under the Senior Indenture as amended by the Fifth Supplemental Indenture. There is no limitation on the amount of senior notes or other debt securities that we may issue under such indenture.

Tax Redemption

We or, if applicable, LBG may redeem Senior Notes of any series in whole but not in part if we or, if applicable, LBG determine that as a result of a change in or amendment to the laws or regulations of the United Kingdom or any United Kingdom political subdivision thereof or authority that has the power to tax (a “U.K. taxing jurisdiction”) (including any treaty to which such U.K. taxing jurisdiction is a party), or any change in the application or interpretation of such laws or regulations (including a decision of any court or tribunal) which change or amendment becomes effective or applicable on or after May 1, 2015:

- in making any payments on the Senior Notes of any series, we or, if applicable, LBG have paid or will or would on the next payment date be required to pay additional amounts;
- payments on the next payment date in respect of any of the Senior Notes of any series would be treated as “distributions” within the meaning of Chapter 2 Part 23 of the Corporation Tax Act 2010 of the United Kingdom, or any statutory modification or re-enactment of such Act; or
- on the next payment date we or, if applicable, LBG would not be entitled to claim a deduction in respect of the payments in computing our U.K. taxation liabilities, or the value of the deduction to us would be materially reduced.

In the event of such a redemption, the redemption price of the Senior Notes of the relevant series will be 100% of their principal amount together with any accrued but unpaid interest to the date of redemption.

If we or, if applicable, LBG elect to redeem the Senior Notes, they will cease to accrue interest from the redemption date, unless there is a failure to pay the redemption price on the payment date. The circumstances in which we or, if applicable, LBG may redeem the Senior Notes and the applicable procedures are described further in the accompanying prospectus under “Description of Debt Securities—Redemption”.

Payment of Additional Amounts

Amounts to be paid on the Senior Notes or under the guarantee will be made without deduction or withholding for, or on account of, any and all present and future income, stamp and other taxes, levies, imposts, duties, charges, or fees

imposed, levied, collected, withheld or assessed by or on behalf of a U.K. taxing jurisdiction, unless such deduction or withholding is required by law. If at any time a U.K. taxing jurisdiction requires us or LBG, as the case may be, to make such deduction or withholding, we, or LBG, as the case may be, will pay additional amounts with respect to the principal of, interest and any other payments on, the Senior Notes (“Additional Amounts”) that are necessary in order that the net amounts paid to the holders of the Senior Notes, after the deduction or withholding, shall equal the amounts which would have been payable on the Senior Notes if the deduction or withholding had not been required. However, this will not apply to any such amount that would not have been payable or due but for the fact that:

S-16

- the holder or the beneficial owner of the Senior Notes is a domiciliary, national or resident of, or engaging in business or maintaining a permanent establishment or physically present in, a U.K. taxing jurisdiction or otherwise having some connection with the U.K. taxing jurisdiction other than the holding or ownership of a Senior Note, or the collection of any payment of, or in respect of, principal of, or any interest or other payment on, any Senior Note or under the guarantee;
- except in the case of a winding up in the United Kingdom, the Senior Notes are presented (where presentation is required) for payment in the United Kingdom;
- the relevant Senior Notes are presented (where presentation is required) for payment more than 30 days after the date payment became due or was provided for, whichever is later, except to the extent that the holder would have been entitled to the Additional Amounts on presenting the Senior Notes for payment at the close of that 30 day period;
- the holder or the beneficial owner of the Senior Notes or the beneficial owner of any payment of or in respect of principal of, or any interest or other payment on, the Senior Notes failed to comply with a request by us, LBG or our liquidator or other authorized person addressed to the holder to provide information concerning the nationality, residence or identity of the holder or the beneficial owner or to make any declaration or other similar claim to satisfy any requirement, which is required or imposed by a statute, treaty, regulation or administrative practice of a U.K. taxing jurisdiction as a precondition to exemption from all or part of the tax, levy, impost, duty, charge or fee;
 - the withholding or deduction is required to be made pursuant to European Council Directive 2003/48/EC on the taxation of savings income, or any directive amending, supplementing or replacing such directive or any law implementing or complying with, or introduced in order to conform to, such directive or directives;
- the relevant Senior Notes are presented (where presentation is required) for payment by or on behalf of a holder who would have been able to avoid such withholding or deduction by presenting the Senior Notes to another paying agent;
- the deduction or withholding is imposed by reason of any agreement with the U.S. Internal Revenue Service in connection with Sections 1471-1474 of the US Internal Revenue Code and the U.S. 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 or other official guidance enacted in any jurisdiction implementing, or relating to, FATCA or any intergovernmental agreement; or
 - any combination of the above items,

nor shall Additional Amounts be paid with respect to the principal of, or any interest or other payment on, the Senior Notes or under the guarantee to any holder who is a fiduciary or partnership or any person other than the sole beneficial owner of such payment to the extent such payment would be required by the laws of any taxing jurisdiction to be included in the income for tax purposes of a beneficiary or partner or settlor with respect to such fiduciary or a member of such partnership or a beneficial owner who would not have been entitled to such Additional Amounts, had it been the holder.

Whenever we refer in this prospectus supplement, in any context, to the payment of the principal of or any interest or other payments on, or in respect of, any debt security of any series, we mean to include the payment of Additional Amounts to the extent that, in the context, Additional Amounts are, were or would be payable.

Waiver of Right to Set-Off

By accepting a Senior Note, each holder will be deemed to have waived any right of set-off, counterclaim or combination of accounts with respect to such Senior Note or the senior debt indenture (or between our obligations under or in respect of any Senior Note and any liability owed by a holder or the Trustee to us) that they might otherwise have against us, whether before or during our winding up.

S-17

Discharge

We can legally release ourselves from any payment or other obligations on the Senior Notes, except for various obligations described below, if the Senior Notes have become due and payable or will become due and payable at their stated maturity within one year or are to be called for redemption within one year and we deposit in trust for your benefit and the benefit of all other direct holders of the Senior Notes a combination of money and U.S. government or U.S. government agency notes or bonds that will generate enough cash to make interest, principal and any other payments on the Senior Notes on their various due dates. In addition, on the date of such deposit, we must not be in default. For purposes of this no-default test, a default would include an event of default that has occurred and not been cured, as described under “Description of Debt Securities—Events of Default and Default; Limitation of Remedies—Senior Debt Security Event of Default” in the accompanying prospectus. A default for this purpose would also include any event that would be an event of default if the requirements for giving us default notice or our default having to exist for a specific period of time were disregarded.

However, even if we take these actions, a number of our obligations under the senior debt indenture will remain.

Trustee; Direction of Trustee

LBG's obligations to indemnify the Trustee in accordance with Section 6.07 of the Senior Indenture (as amended by the Fifth Supplemental Indenture) shall survive the exercise of the U.K. bail-in power by the relevant U.K. resolution authority with respect to the Senior Notes.

By its acquisition of the Senior Notes, each holder (including each beneficial owner) of the Senior Notes acknowledges and agrees that, upon the exercise of any U.K. bail-in power by the relevant U.K. resolution authority, (a) the Trustee shall not be required to take any further directions from holders of the Senior Notes under Section 5.12 (Control by Holders) of the Senior Indenture, which authorizes holders of a majority in aggregate outstanding principal amount of the Senior Notes to direct certain actions relating to the Senior Notes, and (b) neither the Senior Indenture nor the Fifth Supplemental Indenture shall impose any duties upon the Trustee whatsoever with respect to the exercise of any U.K. bail-in power by the relevant U.K. resolution authority. Notwithstanding the foregoing, if, following the completion of the exercise of the U.K. bail-in power by the relevant U.K. resolution authority, any of the Senior Notes remain outstanding (for example, if the exercise of the U.K. bail-in power results in only a partial write-down of the principal of the Senior Notes), then the Trustee's duties under the Senior Indenture shall remain applicable with respect to the Senior Notes following such completion to the extent that the Issuer and the Trustee shall agree pursuant to a supplemental indenture or an amendment to the Senior Indenture.

In addition to the foregoing, the Trustee may decline to act or accept direction from holders unless it receives written direction from holders representing a majority in aggregate principal amount of the Senior Notes and security and/or indemnity satisfactory to the Trustee in its sole discretion. The Senior Indenture shall not be deemed to require the Trustee to take any action which may conflict with applicable law, or which may be unjustly prejudicial to the holders not taking part in the direction, or which would subject the Trustee to undue risk or for which it is not indemnified to its satisfaction in its sole discretion.

The Trustee makes no representations regarding, and shall not be liable with respect to, the information set forth in this prospectus supplement.

Subsequent Holders' Agreement

Holders and beneficial owners of the Senior Notes that acquire the Senior Notes in the secondary market shall be deemed to acknowledge, agree to be bound by and consent to the same provisions specified herein to the same extent as the holders and beneficial owners of the Senior Notes that acquire the Senior Notes upon their initial issuance, including, without limitation, with respect to the acknowledgement and agreement to be bound by and consent to the terms of the Senior Notes related to the U.K. bail-in power.

S-18

Listing

We intend to apply for the listing of the Senior Notes on the New York Stock Exchange in accordance with its rules.

Guarantee

Payment in full to the holders of the Senior Notes and payment in full to the Trustee of amounts due and owing under the senior debt indenture are fully and unconditionally guaranteed by LBG. The guarantee is set forth in, and forms part of, the senior debt indenture under which Senior Notes will be issued by us. If, for any reason, we do not make any required payment in respect of our Senior Notes when due, LBG will cause the payment to be made to or to the order of the applicable trustee. The guarantee will constitute LBG's direct, unconditional, unsecured and unsubordinated obligation ranking pari passu with all LBG's other outstanding, unsecured and unsubordinated obligations, present and future, except such obligations as are preferred by operation of law. Holders of Senior 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 Senior Notes, assume all of our rights and obligations under the Senior Notes and upon such assumption, we will be released from our liabilities under the senior debt indenture and the Senior Notes.

Governing Law

The Senior Indenture, the Fifth Supplemental Indenture, the Senior Notes and the guarantee are governed by, and construed in accordance with, the laws of the State of New York.

CERTAIN U.K. AND U.S. FEDERAL TAX CONSEQUENCES

The following is a summary of the material U.K. and U.S. federal tax consequences of the ownership and disposition of the Senior Notes by a “U.S. holder” described below that is not connected with us for relevant tax purposes, that holds the Senior Notes as capital assets and that purchases them as part of the initial offering of the Senior Notes at their “issue price”, which for each series of Senior Notes will be equal to the first price to the public (not including bondhouses, brokers or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers) at which a substantial amount of the Senior Notes is sold for money. For purposes of this discussion, a “U.S. holder” is a beneficial owner of a Senior Note that is for U.S. federal income tax purposes (i) a citizen or individual resident of the United States, (ii) a corporation, or other entity taxable as a corporation for U.S. federal income tax purposes, created or organized in or under the laws of the United States or of any state thereof or the District of Columbia, or (iii) an estate or trust the income of which is subject to U.S. federal income taxation regardless of its source.

This discussion does not describe all of the tax consequences that may be relevant to U.S. holders in light of their particular circumstances or to holders subject to special rules, such as:

- persons who are resident in the United Kingdom for U.K. tax purposes or who are domiciled or deemed to be domiciled in the United Kingdom;
 - certain financial institutions;
 - insurance companies;
 - dealers or traders in securities that use the mark-to-market method of accounting;
 - persons holding Senior Notes as part of a hedge or other integrated transaction;
 - persons whose functional currency is not the U.S. dollar;
- partnerships or other entities classified as partnerships for U.S. federal income tax purposes;
- persons subject to the alternative minimum tax or the Medicare contribution tax;
 - certain persons connected with us; or
- persons carrying on a trade in the United Kingdom through a permanent establishment in the United Kingdom or carrying on a trade, profession or vocation in the United Kingdom through a branch or agency in the United Kingdom or otherwise holding Senior Notes in connection with a trade or business outside the United States.

If you are a partnership for U.S. federal income tax purposes, the U.S. federal income tax treatment of your partners will generally depend on the status of the partners and your activities. If you are a partnership holding Senior Notes or a partner therein, you should consult your tax advisor as to your particular U.S. federal income tax consequences of holding and disposing of the Senior Notes.

The statements regarding U.K. and U.S. tax laws and practices set out below, including those regarding the U.K./U.S. double taxation convention relating to income and capital gains (the “Treaty”), are based on those laws, practices and conventions as of the date hereof. They are subject to changes in those laws, practices and conventions, and any

relevant judicial decision, after the date hereof, which may apply with retrospective effect. This summary is not exhaustive of all possible tax considerations that may be relevant in the particular circumstances of each U.S. holder. In particular, this summary does not deal with the tax treatment of the Senior Notes following an exercise of U.K. bail-in power. You should satisfy yourself as to the tax consequences in your own particular circumstances of the acquisition, ownership and disposition of the Senior Notes.

S-20

United Kingdom

Payments. Interest that we pay on the Senior Notes will be made without withholding for or deduction of U.K. income tax, provided that the Senior Notes are and remain listed on a “recognised stock exchange” within the meaning of Section 1005 of the Income Tax Act 2007 (the “Act”). The New York Stock Exchange is currently a recognised stock exchange for these purposes. The Senior Notes will be treated as listed on the New York Stock Exchange if they are officially listed in the United States in accordance with provisions corresponding to those generally applicable in EEA states and are admitted to trading on the New York Stock Exchange.

Further, payments of interest by us may be made without withholding or deduction for or on account of U.K. income tax provided that we continue to be a bank within the meaning of Section 991 of the Act and the interest on the Senior Notes is paid in the ordinary course of our business within the meaning of Section 878 of the Act.

In all other cases, an amount on account of U.K. income tax must generally be withheld at the basic rate (currently 20%), unless one of certain exceptions relating to the status of the holder applies. In particular, certain U.S. holders will be entitled to receive payments free of withholding of U.K. income tax under the Treaty and will under current HM Revenue & Customs (“HMRC”) administrative procedures be able to make a claim for the issuance of a direction by HMRC to this effect. However, such directions will be issued only on prior application to the relevant tax authorities by the holder in question. If the Senior Notes are not listed on a recognised stock exchange and either (i) we cease to be a bank, or (ii) the interest is not paid in the ordinary course of our business (in each case as described above), and such a direction is not given, we will be required to withhold tax, although a U.S. holder entitled to relief under the Treaty may subsequently claim the amount withheld from HMRC.

The U.K. withholding tax treatment of payments by LBG under the terms of the guarantee in respect of interest on the Senior Notes (or other amounts due under the Senior Notes other than the repayment of amounts subscribed for the Senior Notes) is uncertain. In particular, such payments by LBG may not be eligible for the exemption in respect of Senior Notes listed on a recognised stock exchange described above in relation to payments of interest by us. Accordingly, if LBG makes any such payments, these may be subject to U.K. withholding tax at the basic rate (currently 20%).

Interest on the Senior Notes constitutes U.K. source income for U.K. tax purposes and, as such, may be subject to U.K. income tax by direct assessment irrespective of the residence of the holder. However, where the payments are made without withholding or deduction on account of U.K. tax, the payments will not be assessed to U.K. income tax (other than in the hands of certain trustees) if you are not resident in the U.K. for tax purposes, except if you carry on a trade, profession or vocation in the U.K. through a U.K. branch or agency in connection with which the payments are received or to which the Senior Notes are attributable (or in the case of a corporate U.S. holder, if you carry on a trade in the U.K. through a permanent establishment in the U.K. in connection with which the payments are received or to which the Senior Notes are attributable), in which case (subject to exemptions for payments received by certain categories of agent) tax may be levied on the U.K. branch or agency (or permanent establishment).

Information relating to securities may be required to be provided to HMRC in certain circumstances. This may include the value of the Senior Notes, details of the holders or beneficial owners of the Senior Notes (or the persons for whom the Senior Notes are held), details of the persons to whom payments derived from the Senior Notes are or may be paid and information and documents in connection with transactions relating to the Senior Notes. Information may be required to be provided by, amongst others, the holders of the Senior Notes, persons by (or via) whom payments derived from the Senior Notes are made or who receive (or would be entitled to receive) such payments, persons who effect or are a party to transactions relating to the Senior Notes on behalf of others and certain registrars or administrators. In certain circumstances, the information obtained by HMRC may be provided to tax authorities in

other countries.

S-21

Disposal (including Redemption). Subject to the provisions set out in the next paragraph in relation to temporary non-residents, a U.S. holder will not, upon disposal (including redemption) of a Senior Note, be liable for U.K. taxation on gains realized, unless at the time of the disposal the U.S. holder is resident for tax purposes in the U.K., carries on a trade, profession or vocation in the U.K. through a branch or agency in the U.K. to which the Senior Notes are attributable or, in the case of a corporate U.S. holder, if the U.S. holder carries on a trade in the U.K. through a permanent establishment in the U.K. to which the Senior Notes are attributable.

A U.S. holder who is an individual and who has ceased to be resident for tax purposes in the U.K. for a period of five years or less before again becoming resident for tax purposes in the U.K. and who disposes of a Senior Note during that period may be liable to U.K. tax on chargeable gains arising during the period of absence in respect of the disposal (including redemption), subject to any available exemption or relief.

A U.S. holder who is an individual or other non-corporation taxpayer will not, upon transfer or redemption of a Senior Note, be subject to any U.K. income tax charge on accrued but unpaid payments of interest, unless the U.S. holder at any time in the relevant year of assessment or accounting period was resident in the U.K. or carried on a trade, profession or vocation in the United Kingdom through a branch or agency to which the Senior Note is attributable.

Annual Tax Charges. Corporate U.S. holders who are not resident in the U.K. and do not carry on a trade in the U.K. through a permanent establishment in the U.K. to which the Senior Notes are attributable will not be liable to U.K. tax charges or relief by reference to fluctuations in exchange rates or in respect of profits, gains and losses arising from the Senior Notes.

Stamp Duty and Stamp Duty Reserve Tax (“SDRT”). No U.K. stamp duty should be payable on the issue of the Senior Notes into a clearance service or depositary receipt arrangement.

U.K. SDRT may arise on the issue, and U.K. SDRT or U.K. stamp duty may arise on the transfer, of the Senior Notes into a clearance service or depositary receipt arrangement, in each case at a rate of 1.5%. However, following litigation, HMRC have confirmed that it will not collect such SDRT on the issue, or (where integral to the raising of capital) the transfer, of the Senior Notes into a clearance service or depositary receipt arrangement on the basis that the charge is not compatible with European law, provided that the Senior Notes comprise loans raised by the issue of debentures or other negotiable securities for the purposes of Article 5(2)(b) of the Capital Duty Directive (2008/7/EC).

No U.K. stamp duty should be required to be paid on the transfer of the Senior Notes within a clearance service or depositary receipt arrangement provided that no instrument is used to effect the transfer. No U.K. SDRT should be payable on the transfer of the Senior Notes within a clearance service or depositary receipt arrangement provided that no election has been made under which the alternative system of charge (as provided for in section 97A Finance Act 1986) applies to the Senior Notes.

No U.K. stamp duty or SDRT should be payable on the redemption of the Senior Notes.

United States

Payments of Interest. Interest on the Senior Notes (including U.K. tax withheld, if any) will be includable in income by a U.S. holder as ordinary interest income at the time it accrues or is received in accordance with the U.S. holder’s method of accounting for U.S. federal income tax purposes. Interest income from the Senior Notes (including any U.K. tax withheld) will constitute foreign-source income, which may be relevant to a U.S. holder in calculating the U.S. holder’s foreign tax credit limitation.

Sale, Exchange or Redemption. A U.S. holder will, upon sale, exchange or redemption of a Senior Note, generally recognize capital gain or loss for U.S. federal income tax purposes in an amount equal to the difference between the amount realized (not including amounts attributable to accrued interest, which will be treated as ordinary interest income as described in “—Payments of Interest” above) and the U.S. holder’s tax basis in the Senior Note. Any gain or loss will generally be U.S.-source capital gain or loss and will be treated as long-term

S-22

capital gain or loss if the Senior Note has been held for more than one year at the time of disposition. The deductibility of capital losses is subject to limitations.

Backup Withholding and Information Reporting. Information returns may be filed with the Internal Revenue Service in connection with payments on the Senior Notes and the proceeds from a sale or other disposition of the Senior Notes. A U.S. holder may be subject to backup withholding on these payments and proceeds if the U.S. holder fails to provide its taxpayer identification number and comply with certain certification procedures or otherwise establish an exemption from backup withholding. The amount of any backup withholding from a payment to a U.S. holder will be allowed as a credit against the U.S. holder's U.S. federal income tax liability and may entitle the U.S. holder to a refund, provided that the required information is timely furnished to the Internal Revenue Service.

Certain U.S. holders who are individuals (and under proposed Treasury Regulations, certain entities) may be required to report information relating to non-U.S. accounts through which the U.S. holders hold their Senior Notes (or information regarding the Senior Notes if the Senior Notes are not held through any financial institution). U.S. holders should consult their tax advisers regarding their reporting obligations with respect to the Senior Notes.

EU Directive on Taxation of Savings Income

EC Council Directive 2003/48/EC on the taxation of savings income (the "Savings Directive") requires EU Member States to provide to the tax authorities of other EU Member States details of payments of interest and other similar income paid by a person established within its jurisdiction to (or secured by such a person for the benefit of) an individual resident, or to (or secured for) certain other types of entity established in that other EU Member State, except that Austria will instead impose a withholding system for a transitional period, (subject to a procedure whereby, on meeting certain conditions, the beneficial owner of the interest or other income may request that no tax be withheld) unless during such period it elects otherwise.

The Council of the European Union has adopted a Directive (the "Amending Directive") which will, when implemented, amend and broaden the scope of the requirements of the Savings Directive described above. The Amending Directive will expand the range of payments covered by the Savings Directive, in particular to include additional types of income payable on securities, and the circumstances in which payments must be reported or paid subject to withholding. For example, payments made to (or secured for) (i) an entity or legal arrangement effectively managed in an EU Member State that is not subject to effective taxation, or (ii) a person, entity or legal arrangement established or effectively managed outside of the EU (and outside any third country or territory that has adopted similar measures to the Savings Directive) which indirectly benefit an individual resident in an EU Member State, may fall within the scope of the Savings Directive, as amended. The Amending Directive requires EU Member States to adopt national legislation necessary to comply with it by January 1, 2016, which legislation must apply from January 1, 2017.

The European Commission has proposed that the Savings Directive should be repealed, generally with effect from January 1, 2016, in order to avoid overlap with EC Council Directive 2011/16/EU on administrative cooperation in the field of taxation (as amended by EC Council Directive 2014/107/EU), pursuant to which EU Members States will be required to apply new measures on mandatory automatic exchange of information, generally with effect from January 1, 2016.

Investors who are in any doubt as to their position should consult their professional advisers.

Proposed financial transactions tax ("FTT")

On February 14, 2013, the European Commission published a proposal (the "Commission's Proposal") for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and

Slovakia (the “participating Member States”). The Commission’s Proposal has very broad scope and could, if introduced, apply to certain dealings in the Senior Notes (including secondary market transactions) in certain circumstances.

S-23

Under the Commission's Proposal, the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in the Senior Notes where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, "established" in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

Joint statements issued by participating Member States indicate an intention to implement the FTT by January 1, 2016. However, the FTT proposal remains subject to negotiation between the participating Member States and the scope of any such tax is uncertain. Additional EU Member States may decide to participate. Prospective holders of the Senior Notes are advised to seek their own professional advice in relation to the FTT.

UNDERWRITING

We and the underwriters for the offering named below (the “Underwriters”) have entered into an underwriting agreement and a pricing agreement with respect to the Senior Notes. Subject to certain conditions, we have agreed to sell to the Underwriters and each Underwriter has severally agreed to purchase the respective principal amounts of the Senior Notes indicated opposite such Underwriter’s name in the following table.

Underwriters	Principal Amount of 2018 Fixed Rate Senior Notes	Principal Amount of 2025 Fixed Rate Senior Notes	Principal Amount of Floating Rate Notes
Deutsche Bank Securities Inc.	\$	\$	\$
J.P. Morgan Securities LLC	\$	\$	\$
Lloyds Securities Inc.	\$	\$	\$
Merrill Lynch, Pierce, Fenner & Smith Incorporated.	\$	\$	\$
TD Securities (USA) LLC	\$	\$	\$
Wells Fargo Securities, LLC	\$	\$	\$
Total	\$	\$	\$

The Underwriters propose to offer the Senior Notes directly to the public at the initial public offering prices set forth on the cover page of this prospectus supplement. The underwriting agreement and the pricing agreement provides that the obligations of the Underwriters are subject to certain conditions precedent and that the Underwriters have undertaken to purchase all of the Senior Notes offered by this prospectus supplement if any are purchased. The offering of the Senior Notes by the Underwriters is subject to receipt and acceptance and the Underwriters have the right to reject any order in whole or in part.

Conflicts of Interest

Lloyds Securities Inc., one of the Underwriters is an affiliate of the Issuer. Any distribution of the Senior Notes offered hereby will be made in compliance with applicable provisions of Rule 5121 of the Financial Industry Regulatory Authority, Inc. (“FINRA”), which requires that, among other things, Lloyds Securities Inc. will not participate in the distribution of an offering of Senior Notes unless the Senior Notes are investment grade rated (within the meaning of Rule 5121) or are Senior Notes in the same series that have equal rights and obligations as investment grade rated securities or unless another exemption provided by Rule 5121 is applicable.

Matters Relating to the Initial Offering and Market-Making Resales

We intend to apply for the listing of the Senior Notes on the New York Stock Exchange. The Senior Notes are a new issue of securities with no established trading market. We have been advised by the Underwriters that the Underwriters intend to make a market in the Senior Notes, but they are not obligated to do so and may discontinue market-making at any time without notice. No assurance can be given as to the liquidity of the trading market for the Senior Notes.

In this prospectus supplement, the term “the offering” means the initial offering of the Senior Notes made in connection with their original issuance and not any subsequent resales of Senior Notes in market-making transactions.

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The Senior Notes will settle through the facilities of the DTC and its participants (including Euroclear and Clearstream Luxembourg). The CUSIP number for the 2018 Fixed Rate Senior Notes is _____, the ISIN is _____ and the Common Code is _____. The CUSIP number for the 2025 Fixed Rate Senior Notes is _____, the ISIN is _____ and the Common Code is _____. The CUSIP number for the Floating Rate Notes is _____, the ISIN is _____ and the Common Code is _____.

S-25

We have agreed to indemnify the several Underwriters against certain liabilities, including liabilities under the Securities Act of 1933, as amended.

It is expected that delivery of the Senior Notes will be made against payment on or about the date specified in the last paragraph of the cover page of this prospectus supplement, which will be the third business day following the date of pricing of the Senior Notes (such settlement cycle being referred to as “T+3”).

Market-Making Resales by Affiliates

This prospectus may be used by Lloyds Securities Inc. in connection with offers and sales of the Senior Notes in market-making transactions. In a market-making transaction, Lloyds Securities Inc. may resell a Note it acquires from other holders, after the original offering and sale of the Note. Resales of this kind may occur in the open market or may be privately negotiated, at prevailing market prices at the time of resale or at related or negotiated prices. In these transactions, Lloyds Securities Inc. may act as principal, or agent, including as agent for the counterparty in a transaction in which Lloyds Securities Inc. acts as principal, or as agent for both counterparties in a transaction in which Lloyds Securities Inc. does not act as principal. Lloyds Securities Inc. may receive compensation in the form of discounts and commissions, including from both counterparties in some cases. Other affiliates of the Issuer may also engage in transaction of this kind and may use this prospectus for this purpose.

The aggregate initial offering price specified on the cover of this prospectus supplement relates to the initial offering of the Senior Notes described in this prospectus supplement. This amount does not include Senior Notes sold in market-making transactions. The latter include Senior Notes to be issued after the date of this prospectus, as well as Senior Notes previously issued.

We do not expect to receive any direct proceeds from market-making transactions. We do not expect that Lloyds Securities Inc. or any other affiliate that engages in these transactions will pay any direct proceeds from its market-making resales to us.

Information about the trade and settlement dates, as well as the purchase price, for a market-making transaction will be provided to the purchaser in a separate confirmation of sale.

Unless we or any agent inform you in your confirmation of sale that your Note is being purchased in its original offering and sale, you may assume that you are purchasing your Note in a market-making transaction.

Stabilization Transactions and Short Sales

In connection with the offering, the Underwriters may purchase and sell Senior Notes in the open market. These transactions may include short sales, stabilizing transactions and purchases to cover positions created by short sales. Short sales involve the sale by the Underwriters of a greater aggregate principal amount of Senior Notes than they are required to purchase from us in the offering. Stabilizing transactions consist of certain bids or purchases made for the purpose of preventing or retarding a decline in the market price of the Senior Notes while the offering is in progress.

The Underwriters may also impose a penalty bid. This occurs when a particular Underwriter repays to the Underwriters a portion of the underwriting discount received by it because the Underwriters have repurchased Senior Notes sold by or for the account of such Underwriter in stabilizing or short-covering transactions.

These activities by the Underwriters may stabilize, maintain or otherwise affect the market price of the Senior Notes. As a result, the price of the Senior Notes may be higher than the price that otherwise might exist in the open market. If

these activities are commenced, they may be discontinued by the Underwriters at any time.

The Underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, investment research, principal investment, hedging, financing and brokerage activities.

S-26

In the ordinary course of business, the Underwriters and their affiliates may have engaged in and may in the future engage in investment, financial, banking and advisory services with us or our affiliates, for which customary fees may apply.

In the ordinary course of their various business activities, the Underwriters and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers, and such investment and securities activities may involve securities and/or instruments of the Issuer. Certain of the Underwriters or their affiliates that have a lending relationship with us routinely hedge their credit exposure to us consistent with their customary risk management policies. Typically, such Underwriters and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in our securities, including potentially the Senior Notes offered hereby. Any such short positions could adversely affect future trading prices of the Senior Notes offered hereby. The Underwriters and their respective affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or instruments and may at any time hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

Selling Restrictions

United Kingdom

Each Underwriter has represented and agreed that, in connection with the distribution of the Senior Notes, it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000 of the United Kingdom (the “FSMA”)) received by it in connection with the issue or sale of such Senior Notes or any investments representing the Senior Notes in circumstances in which section 21(1) of the FSMA does not or, in our case, would not, if we were not an authorized person, apply to us and LBG and that it has complied and will comply with all the applicable provisions of the FSMA with respect to anything done by it in relation to any Senior Notes in, from or otherwise involving the United Kingdom.

Expenses of the Offering

We estimate that our total expenses for the offering, excluding underwriting commissions, will be approximately \$, as follows:

Fees	Amount
SEC registration fee	\$
Trustee and Paying Agent fees	\$
Legal fees and expenses	\$
Total	\$

All amounts are estimated except the SEC registration fee.

LEGAL OPINIONS

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Our U.S. counsel, Davis Polk & Wardwell London LLP, will pass upon certain United States legal matters relating to the validity of the Senior Notes and the guarantee. Our Scottish solicitors, CMS Cameron McKenna LLP, will pass upon certain matters relating to Scots law. Our English solicitors, Linklaters LLP, will pass upon certain matters of English law relating to the validity of the Senior Notes. Allen & Overy LLP, United States counsel for the underwriters, will pass upon certain United States legal matters for the underwriters.

S-27
