



LLOYDS BANK

12 May 2020

The Manager
Market Announcements Office
ASX Limited
Level 4
Exchange Centre
20 Bridge Street
SYDNEY NSW 2000

Dear Sir/Madam

Tender Offer for all or some of the A\$250,000,000 1.65 per cent. Fixed Rate Notes due 12 August 2022 (ISIN AU3CB0265627), A\$450,000,000 Floating Rate Notes due 12 August 2022 (ISIN AU3FN0049383) and A\$400,000,000 4.25 per cent. Fixed Rate Notes due 28 August 2025 (ISIN AU3CB0232346) issued by Lloyds Bank plc

Please find attached a Tender Offer Memorandum for release to the market. The Tender Offer is available only in accordance with the offer restrictions set out in the attached Tender Offer Memorandum.

Yours faithfully

Peter Green
Head of Senior Funding & Covered Bonds
Lloyds Bank plc

Encl.

IMPORTANT NOTICE

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION IN OR INTO OR TO ANY PERSON LOCATED OR RESIDENT IN THE UNITED STATES OF AMERICA, ITS TERRITORIES AND POSSESSIONS, ANY STATE OF THE UNITED STATES OF AMERICA OR THE DISTRICT OF COLUMBIA (THE “UNITED STATES”) OR INTO ANY OTHER JURISDICTION OR TO ANY OTHER PERSON WHERE OR TO WHOM IT IS UNLAWFUL TO RELEASE, PUBLISH OR DISTRIBUTE THIS DOCUMENT.

IMPORTANT: You must read the following disclaimer before continuing. The following disclaimer applies to the attached tender offer memorandum (the “**Tender Offer Memorandum**”) and you are therefore required to read this disclaimer page carefully before accessing, reading or making any other use of the attached Tender Offer Memorandum. By accessing, reading or making any other use of the attached Tender Offer Memorandum, you agree (in addition to giving the representations below) to be bound by the following terms and conditions, including any modifications to them from time to time, each time you receive any information from Lloyds Bank plc (the “**Offeror**”), and/or Citigroup Global Markets Limited and Nomura International plc (together, where the context so requires, with their respective affiliates, the “**Joint Dealer Managers**” and each a “**Joint Dealer Manager**”) and/or BTA Institutional Services Australia Limited (ABN 48 002 916 396) (the “**Tender Agent**”) and/or Lucid Issuer Services Limited (the “**Information Agent**”), as a result of such access. Capitalised terms used but not otherwise defined in this disclaimer shall have the meaning given to them in the attached Tender Offer Memorandum.

THE ATTACHED TENDER OFFER MEMORANDUM MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER. THE ATTACHED TENDER OFFER MEMORANDUM MAY ONLY BE DISTRIBUTED OUTSIDE THE UNITED STATES AND TO PERSONS TO WHOM IT IS OTHERWISE LAWFUL TO SEND THE ATTACHED TENDER OFFER MEMORANDUM. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THE ATTACHED TENDER OFFER MEMORANDUM IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THESE REQUIREMENTS MAY RESULT IN A VIOLATION OF THE APPLICABLE LAWS OF THE UNITED STATES OR OTHER JURISDICTIONS.

Confirmation of your representation: In order to be eligible to view the attached Tender Offer Memorandum or make an investment decision with respect to the Offers (as defined below), you must be outside the United States and otherwise able to participate lawfully in the invitations by the Offeror to Holders of the Notes (as defined below) to tender their Notes for purchase by the Offeror for cash (the “**Offers**”) on the terms and subject to the conditions set out in the attached Tender Offer Memorandum, including the offer and distribution restrictions set out in the attached Tender Offer Memorandum (the “**Offer and Distribution Restrictions**”). The attached Tender Offer Memorandum was sent at your request and by accessing the attached Tender Offer Memorandum you shall be deemed to have represented to the Offeror, the Joint Dealer Managers, the Tender Agent and the Information Agent that:

- (a) you are a Holder or a beneficial owner of any of the (i) A\$250,000,000 1.65 per cent. Fixed Rate Notes due 12 August 2022 (AU3CB0265627), (ii) A\$450,000,000 Floating Rate Notes due 12 August 2022 (AU3FN0049383) and/or (iii) A\$400,000,000 4.25 per cent. Fixed Rate Notes due 28 August 2025 (AU3CB0232346) each issued by the Offeror (together, the “**Notes**”);
- (b) neither you nor any beneficial owner of Notes, nor any other person on whose behalf you are acting, either directly or indirectly, is located or resident in the United States;

- (c) the electronic mail address that you have given to us and to which the attached Tender Offer Memorandum has been delivered is not located in the United States;
- (d) you are not a Sanctions Restricted Person;
- (e) you are a person to whom it is lawful to send the attached Tender Offer Memorandum or to make an invitation pursuant to the Offers under all applicable laws, including the Offer and Distribution Restrictions; and
- (f) you consent to delivery of the attached Tender Offer Memorandum to you by electronic transmission.

The representation set out at (d) above shall not be sought or given at any time after such representation is first made if and to the extent that it is or would be unenforceable by reason of breach of (i) any provision of Council Regulation (EC) No 2271/1996 of 22 November 1996 (or any law or regulation implementing such Regulation in any member state of the European Union or the United Kingdom) or (ii) any similar blocking or anti-boycott law in the European Union or the United Kingdom.

The attached Tender Offer Memorandum has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of transmission and consequently none of the Offeror, the Joint Dealer Managers, the Tender Agent, the Information Agent or any person who controls, or any director, officer, employee, agent or affiliate of, any such person accepts any liability or responsibility whatsoever in respect of any difference between the attached Tender Offer Memorandum distributed to you in electronic format and the hard copy version available to you on request from the Tender Agent or the Information Agent.

Any materials relating to the Offers do not constitute, and may not be used in connection with, any form of offer or solicitation in any place where such offers or solicitations are not permitted by law. In those jurisdictions where securities or other laws require the Offers to be made by a licensed broker or dealer and any of the Joint Dealer Managers or, where the context so requires, any of its affiliates is such a licensed broker or dealer in that jurisdiction, the Offers shall be deemed to be made on behalf of the Offeror by such Joint Dealer Manager or such affiliate (as the case may be) in such jurisdiction.

Restrictions: Nothing in this electronic transmission constitutes an offer to buy or the solicitation of an offer to sell Notes in Australia, the United States, the United Kingdom, Singapore, Hong Kong or in any other jurisdiction or circumstances in which such offer or solicitation would be unlawful.

The distribution of the attached Tender Offer Memorandum in certain jurisdictions may be restricted by law. Persons into whose possession the attached Tender Offer Memorandum comes are required by the Offeror, the Joint Dealer Managers, the Tender Agent and the Information Agent to inform themselves about, and to observe, any such restrictions. The Tender Offer Memorandum may only be communicated to persons in the United Kingdom in circumstances where section 21(1) of the Financial Services and Markets Act 2000 does not apply.

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION IN OR INTO OR TO ANY PERSON LOCATED OR RESIDENT IN THE UNITED STATES OF AMERICA, ITS TERRITORIES AND POSSESSIONS, ANY STATE OF THE UNITED STATES OF AMERICA OR THE DISTRICT OF COLUMBIA OR INTO ANY OTHER JURISDICTION OR TO ANY OTHER PERSON WHERE OR TO WHOM IT IS UNLAWFUL TO RELEASE, PUBLISH OR DISTRIBUTE THIS DOCUMENT.

Capitalised terms used in this Tender Offer Memorandum have the meaning given in “Definitions” below and any other definitions of such terms are for ease of reference only and shall not affect their interpretation.

This Tender Offer Memorandum does not constitute an invitation to participate in the Offers in or from the United States or any other jurisdiction in or from which, or to or from any person to or from whom, it is unlawful to make such offer under applicable securities laws or otherwise. The distribution of this document in certain jurisdictions (in particular, Australia, the United States, the United Kingdom, the European Economic Area, Singapore and Hong Kong) may be restricted by law. See “Offer and Distribution Restrictions” below. Persons into whose possession this Tender Offer Memorandum comes are required by the Joint Dealer Managers and the Offeror to inform themselves about, and to observe, any such restrictions. No action that would permit a public offer has been or will be taken in any jurisdiction by the Joint Dealer Managers or the Offeror.

This Tender Offer Memorandum is important and requires your immediate attention. If you do not understand it or are in any doubt about the action you should take, you are urged to contact a professional adviser. If you have, prior to the date of this Tender Offer Memorandum, sold or otherwise transferred your entire holding of the Notes, please hand this Tender Offer Memorandum, subject to the Offer and Distribution Restrictions below, to the purchaser or transferee or to the agent to whom you made the sale or transfer for transmission to the purchaser or transferee.

TENDER OFFER MEMORANDUM DATED 12 MAY 2020



**INVITATIONS BY
Lloyds Bank plc
(the “Offeror”)**

to the holders of its

A\$250,000,000 1.65 per cent. Fixed Rate Notes due 12 August 2022 (AU3CB0265627)
(the “**August 2022 FXD Notes**”)

A\$450,000,000 Floating Rate Notes due 12 August 2022 (AU3FN0049383)
(the “**August 2022 Floating Rate Notes**”)

A\$400,000,000 4.25 per cent. Fixed Rate Notes due 28 August 2025 (AU3CB0232346)
(the “**August 2025 FXD Notes**”)

(together, the “**Notes**” and each a “**Series**”)

to tender any or all of their outstanding Notes for purchase by the Offeror for cash on the terms and subject to the conditions set out in full below

(each such invitation an “**Offer**” and, together, the “**Offers**”)

| Description of the Notes | ISIN Number | Nominal Amount Outstanding | Reference Benchmark | Fixed Spread |
|---|--------------|----------------------------|---------------------|-------------------|
| A\$250,000,000 1.65 per cent. Fixed Rate Notes due 12 August 2022 | AU3CB0265627 | A\$250,000,000 | 2022 SQ ASW | +100 basis points |
| A\$450,000,000 Floating Rate Notes due 12 August 2022 | AU3FN0049383 | A\$450,000,000 | 3 month BBSW Rate | +100 basis points |
| A\$400,000,000 4.25 per cent. Fixed Rate Notes due 28 August 2025 | AU3CB0232346 | A\$400,000,000 | 2025 SQ ASW | +165 basis points |

The August 2022 Floating Rate Notes and the August 2022 FXD Notes were issued pursuant to two Pricing Supplements each dated 8 August 2019 and the August 2025 FXD Notes were issued pursuant to Pricing Supplements dated 25 August 2015, 29 September 2015 and 1 February 2016 (each a “**Pricing Supplement**” and together, the “**Pricing Supplements**”) which supplemented the Information Memorandum dated 19 December 2014 (“**Information Memorandum**”) and the Note Deed Poll dated 19 December 2014.

THE OFFERS WILL COMMENCE ON THE DATE OF THIS TENDER OFFER MEMORANDUM AND WILL EXPIRE AT 5.00 P.M. (SYDNEY TIME) ON 26 May 2020 (THE “EXPIRATION DEADLINE”) UNLESS EXTENDED, RE-OPENED OR TERMINATED AS PROVIDED IN THIS TENDER OFFER MEMORANDUM.

Intermediaries (including Direct Participants and clearing systems) will have deadlines for receiving instructions prior to the Expiration Deadline and Holders should contact the Intermediary through which they hold their Notes as soon as possible to ensure proper and timely delivery of instructions.

On the terms and subject to the conditions contained in this Tender Offer Memorandum, the Offeror invites Holders of the Notes (subject to the Offer and Distribution Restrictions contained herein) to tender their Notes for purchase at the applicable Purchase Price.

The Offeror has launched, contemporaneously with the launch of the Offers, offers to holders of five series of U.S. dollar denominated notes, two series of euro denominated notes and one series of pounds sterling denominated notes issued by the Offeror.

The price payable for each Note accepted for purchase will be an amount in Australian Dollars, payable on the Settlement Date and equal to the applicable Purchase Price. Notes that have not been validly tendered and accepted for purchase pursuant to the Offers will remain outstanding after the Settlement Date.

Subject to applicable law, the Offeror reserves the right, in its sole and absolute discretion, to extend, withdraw, terminate or amend the terms and conditions of the relevant Offer(s) at any time following the announcement of the Offers, without giving Holders withdrawal rights, as described herein under the heading “*Terms and Conditions of the Offers – Extension, Termination, Amendment and Revocation*”. Details of any such extension, amendment, withdrawal or termination will be notified to the relevant Holders as soon as possible after such decision. The acceptance of Notes for purchase pursuant to the Offers is conditional on the satisfaction of the conditions to each Offer, as set out in “*Terms and Conditions of the Offers – General Conditions of the Offers*”.

Any questions or requests for assistance in connection with the Offers may be directed to the Joint Dealer Managers at the telephone numbers or e-mail addresses provided in the “*Directory*” of this Tender Offer Memorandum. Any questions or requests for assistance in connection with the delivery of tender instructions may be directed to the Tender Agent at the telephone number or e-mail address provided in the “*Directory*”. If Notes are held through custodians, nominees or other intermediaries in the clearing systems known as Euroclear or Clearstream, Luxembourg, questions and requests for assistance relating to the procedures for tendering Notes or for additional electronic copies of the Tender Offer Memorandum may be directed to the Information Agent at telephone numbers or e-mail addresses provided in the “*Directory*”.

Before making a decision with respect to the Offers, Holders should carefully consider all of the information in this Tender Offer Memorandum and, in particular, the risk factors described in the section entitled “*Risk Factors and Other Considerations*”.

Joint Dealer Managers

CITIGROUP GLOBAL MARKETS LIMITED

NOMURA INTERNATIONAL PLC

Tender Agent

BTA INSTITUTIONAL SERVICES AUSTRALIA LIMITED

(ABN 48 002 916 396)

Information Agent

LUCID ISSUER SERVICES LIMITED

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GENERAL

This Tender Offer Memorandum contains important information, which should be read carefully before any decision is made with respect to the Offers. If any Holder is in any doubt as to the action it should take or is unsure of the impact of the Offers, it is recommended to seek its own financial and legal advice, including as to any tax consequences, from its stockbroker, bank manager, solicitor, accountant or other independent financial, legal or other professional adviser. Any Holder whose Notes are held on its behalf by a broker, dealer, bank, custodian, trust company or other nominee or Intermediary must contact such entity if it wishes to tender Notes in the Offers. None of the Offeror, the Joint Dealer Managers, the Tender Agent or the Information Agent (or any of their respective directors, officers, employees, agents or affiliates) is providing Holders with any legal, business, tax, investment or other advice in this Tender Offer Memorandum. Holders should consult with their own advisers as needed to assist them in making an investment decision and to advise them whether they are legally permitted to tender their Notes on the terms and conditions set out in this Tender Offer Memorandum.

The Offeror accepts responsibility for the information contained in this Tender Offer Memorandum other than the details of the Joint Dealer Managers, the Tender Agent and the Information Agent provided in the “*Directory*” and, in the case of Citigroup Global Markets Limited, the statements under the heading “*Notice from Citigroup Global Markets Limited*” below. To the best of the knowledge and belief of the Offeror (having taken all reasonable care to ensure that such is the case), the information contained in this Tender Offer Memorandum is in accordance with the facts and does not omit anything likely to affect the import of such information.

Each Holder is solely responsible for making its own independent appraisal of all matters as such Holder deems appropriate (including those relating to the relevant Offer and this Tender Offer Memorandum) and each Holder must make its own decision as to whether to tender any or all of its Notes for purchase pursuant to the relevant Offer. Accordingly, each person receiving this Tender Offer Memorandum acknowledges that such person has not relied upon the Offeror, the Joint Dealer Managers, the Tender Agent or the Information Agent (or any of their respective directors, officers, employees, agents or affiliates) in connection with its decision as to whether to participate in a relevant Offer. Each such person must make its own analysis and investigations regarding the Offers, with particular reference to its own investment objectives and experience, and any other factors, which may be relevant to it.

The Offeror has entered into a dealer manager agreement with the Joint Dealer Managers and a tender agency agreement with the Tender Agent, each of which contains certain provisions regarding payment of fees, expense reimbursement and indemnity arrangements relating to the Offers. The Joint Dealer Managers are acting exclusively for the Offeror and no one else in connection with the arrangements described in this Tender Offer Memorandum. Except for the fees payable to the Joint Dealer Managers and the Tender Agent, the Offeror will not pay any commissions or other remuneration to any broker, dealer, salesperson or other person soliciting tenders of the Notes.

None of the Joint Dealer Managers, the Offeror, the Tender Agent, the Information Agent or any of their respective directors, officers, employees, agents or affiliates makes any representation or recommendation whatsoever regarding this Tender Offer Memorandum or the Offers and none of the Offeror, the Joint Dealer Managers, the Tender Agent, the Information Agent or their respective directors, officers, employees, agents or affiliates makes any recommendation as to whether Holders of Notes should tender Notes for purchase pursuant to the Offers. Each of the Tender Agent and the Information Agent is the agent of the Offeror and neither owes any duty to any Holder.

None of the Joint Dealer Managers, the Tender Agent or the Information Agent (or any of their respective directors, officers, employees, agents or affiliates) assumes any responsibility for the accuracy or completeness

of the information contained in this Tender Offer Memorandum (other than their respective details provided in the “*Directory*” and, in the case of Citigroup Global Markets Limited, the statements under the heading “*Notice from Citigroup Global Markets Limited*” below) or for any failure by the Offeror to disclose events that may have occurred and may affect the significance or accuracy of the information in this Tender Offer Memorandum. None of the Joint Dealer Managers, the Tender Agent or the Information Agent have independently verified the information contained in this Tender Offer Memorandum (other than as expressly noted above) and each such person disclaims any liability for it.

None of the Joint Dealer Managers, the Tender Agent or the Information Agent has undertaken to review the financial condition or affairs of the Offeror nor to inform any Holder of information about the Offeror coming to its attention. None of the Joint Dealer Managers, the Tender Agent or the Information Agent is undertaking to underwrite any part of the Offers and nor have they any obligation to purchase the Notes, including should any of the Offers not proceed for any reason.

In the ordinary course of their respective businesses, the Joint Dealer Managers are entitled to hold positions in the Notes either for their own account or for the account, directly or indirectly, of third parties and/or may from time to time provide advice or other investment services in relation to, or engage in transactions involving, the Notes. The Joint Dealer Managers and their affiliates may hold significant positions in the Notes. The Joint Dealer Managers are entitled to continue to hold or dispose of, in any manner they may elect, any Notes they may hold as at the date of this Tender Offer Memorandum or, from such date, to acquire further Notes, subject to applicable law, and may or may not submit tenders of Notes pursuant to the Offers in respect of such Notes. Any Joint Dealer Manager or the Tender Agent may (i) submit Tender Instructions for its own account and (ii) submit tender instructions (subject to the offer restrictions set out in “*Offer and Distribution Restrictions*”) on behalf of other Holders. No such submission or non-submission by the Joint Dealer Managers should be taken by any Holder or any other person as any recommendation or otherwise by the Joint Dealer Managers as to the merits of participating or not participating in the Offers. The Joint Dealer Managers and their respective affiliates have provided and continue to provide certain investment banking services to the Offeror for which they have received and/or will receive compensation that is customary for services of such nature.

The Joint Dealer Managers and their respective affiliates may contact the Holders regarding the Offers and may request Intermediaries to forward this Tender Offer Memorandum and related materials to Holders. No person has been authorised to give any information or to make any representation other than those contained in this Tender Offer Memorandum in connection with the Offers and, if given or made, such information or representation must not be relied upon as having been authorised by any of the Offeror, the Joint Dealer Managers, the Tender Agent or the Information Agent (or any of their directors, officers, employees, agents or affiliates). Neither the delivery of this Tender Offer Memorandum nor any purchase of Notes pursuant to the Offers shall, under any circumstances, constitute a representation or create any implication that there has been no change in the affairs of the Offeror, since the date of this Tender Offer Memorandum or that the information contained in this Tender Offer Memorandum is correct as of any time subsequent to the date of this Tender Offer Memorandum.

The Offeror is making the Offers only in those jurisdictions where it is legal to do so. See “*Offer and Distribution Restrictions*”.

All of the Securities are held through the facilities of the Austraclear System. Notes can only be tendered in the Offers, and in order to participate in an Offer, each Holder must validly tender its Notes, in accordance with the procedures described in “*Procedures for Participating in the Offers*”.

Any Notes purchased by the Offeror pursuant to the Offers will be cancelled and will not be re-issued or re-sold. Holders who do not participate in the Offers, or whose Notes are not accepted for purchase, will continue to hold their Notes.

The failure of any person to receive a copy of this Tender Offer Memorandum or any notice issued by the Offeror in connection with the Offers shall not invalidate any aspect of the Offers. No acknowledgement of receipt of any document will be given by the Offeror, the Tender Agent or the Information Agent.

Holders must comply with all laws that apply to them in any place in which they possess this Tender Offer Memorandum. Holders must also obtain any consents or approvals that they need in order to tender their Notes. None of the Offeror, the Joint Dealer Managers, the Tender Agent or the Information Agent (or any of their respective directors, officers, employees, agents or affiliates) is responsible for Holders' compliance with these legal requirements.

For the avoidance of doubt, each invitation by the Offeror to Holders contained in this Tender Offer Memorandum is an invitation to treat by the Offeror and any references to the Offers or invitations being made by the Offeror, under or in respect of the Offers shall be construed accordingly.

Unless the context otherwise requires, all references in this Tender Offer Memorandum to a Holder or Holder of the Notes include:

- (a) each person who is shown in the records of the Austraclear System as a holder of the Notes;
- (b) any Intermediary; and
- (c) each beneficial owner of Notes holding such Notes, directly or indirectly, in accounts in the name of a Direct Participant acting on the beneficial owner's behalf,

except that for the purposes of any payment to a Holder pursuant to any of the Offers of the Purchase Price, such payment will only be made by the Tender Agent on behalf of the Offeror to, or at the direction of, Austraclear and the making of such payment by or on behalf of the Offeror will satisfy the obligations of the Offeror in respect of the purchase of such Notes.

The Offeror is not a bank nor an authorised deposit-taking institution which is authorised under the Banking Act 1959 of Australia ("**Australian Banking Act**") or supervised by the Australian Prudential Regulation Authority. The Notes are not obligations of the Australian Government or any other government and, in particular, are not guaranteed by the Commonwealth of Australia. The Notes are not covered by the depositor protection provisions in section 13A of the Australian Banking Act and will not be covered by the Australian Government's bank deposit guarantee (also commonly referred to as the Financial Claims Scheme).

All references in this Tender Offer Memorandum to "**AS**" or "**Australian Dollars**" are to the lawful currency of the Commonwealth of Australia.

Notice from Citigroup Global Markets Limited

The Offeror has acknowledged, and Holders are deemed to acknowledge, that Citigroup Global Markets Limited is incorporated in the United Kingdom and is authorised in the United Kingdom by the Prudential Regulation Authority (the "**PRA**") and regulated in the United Kingdom by the Financial Conduct Authority and the PRA. Citigroup Global Markets Limited does not hold an Australian Financial Services Licence and, in providing the services contemplated under this Tender Offer Memorandum, it relies on various exemptions contained in the Corporations Act and the Corporations Regulations 2001 promulgated under the Corporations Act. Citigroup Global Markets Limited hereby notifies all relevant persons that all transactions contemplated under this Tender Offer Memorandum are provided to the Offeror by Citigroup Global Markets Limited from outside of Australia and to the extent necessary, Citigroup Global Markets Australia Pty Limited (ABN 64 003 114 832 and Australian Financial Services Licence No. 240992) a related body corporate of Citigroup Global Markets Limited within the meaning of the Corporations Act, has arranged for Citigroup Global Markets Limited to provide these services to the Offeror.

OFFER AND DISTRIBUTION RESTRICTIONS

This Tender Offer Memorandum does not constitute an offer or an invitation to participate in the Offers in Australia, the United States or in any other jurisdiction in which, or to any person to or from whom, it is unlawful to make such offer or invitation or for there to be such participation under applicable laws. The distribution of this Tender Offer Memorandum in certain jurisdictions may be restricted by law. Persons into whose possession this Tender Offer Memorandum comes are required by each of the Offeror, the Joint Dealer Managers, the Tender Agent and the Information Agent to inform themselves about and to observe any such restrictions.

Australia

Neither this Tender Offer Memorandum, nor any other prospectus or other disclosure document (as defined in the Corporations Act 2001 of Australia (“**Corporations Act**”)) in relation to the Offers has been or will be lodged with the Australian Securities and Investments Commission (“**ASIC**”) or any other regulatory authority in Australia and this Tender Offer Memorandum does not comply with Division 5A of Part 7.9 of the Corporations Act. In addition:

- (a) no offers or applications will be made or invited for the purchase of any Notes in Australia (including an offer or invitation which is received by a person in Australia); and
- (b) this Tender Offer Memorandum or any other offering material or advertisement relating to any Notes will not be distributed or published in Australia,

unless (i) the offer or invitation falls within the exemption for offers to sophisticated investors set out in section 708(8) of the Corporations Act or the offer or invitation otherwise does not require disclosure to investors in accordance with Part 6D.2 or Chapter 7 of the Corporations Act; (ii) such action complies with all applicable laws and regulations; (iii) such action does not require any document to be lodged with ASIC or any other regulatory authority in Australia; (iv) the offer or invitation is not made to a person who is a “retail client” as defined for the purposes of section 761G of the Corporations Act; and (v) the offer or invitation is made in circumstances specified in Corporations Regulation 7.9.97.

You have been sent this Tender Offer Memorandum on the basis that, amongst other matters, if you are a resident of Australia, you are a wholesale client for the purposes of Section 761G of the Corporations Act or otherwise a person to whom disclosure is not required under Part 6D.2 or Chapter 7 of the Corporations Act.

United States

The Offers are not being made, and will not be made, directly or indirectly in or into, or by use of the mail of, or by any means or instrumentality of interstate or foreign commerce of or of any facilities of a national securities exchange of, the United States. This includes, but is not limited to, facsimile transmission, electronic mail, telex, telephone, the internet and other forms of electronic communications. The Notes may not be tendered in the Offers by any such use, means, instrumentality or facility from or within the United States or by persons located or resident in the United States as defined in Regulation S of the U.S. Securities Act of 1933, as amended. Accordingly, copies of this Tender Offer Memorandum and any other documents or materials relating to the Offers are not being, and must not be, directly or indirectly mailed or otherwise transmitted, distributed or forwarded (including, without limitation, by custodians, nominees or trustees) in or into the United States. Any purported tender of Notes in any of the Offers resulting directly or indirectly from a violation of these restrictions will be invalid and any purported tender of Notes made by a person located in the United

States or any agent, fiduciary or other Intermediary acting on a non-discretionary basis for a principal giving instructions from within the United States will be invalid and will not be accepted.

This Tender Offer Memorandum is not an offer to buy or sell, or a solicitation of an offer to sell or buy, any Notes or other securities in the United States. Securities may not be offered or sold in the United States absent registration under, or an exemption from the registration requirements of, the Securities Act.

Each holder of Notes participating in any of the Offers will represent that it is not located in the United States and is not participating in such Offers from the United States or it is acting on a non-discretionary basis for a principal located outside the United States that is not giving an order to participate in such Offers from the United States. For the purposes of this and the above paragraph, “**United States**” means United States of America, its territories and possessions, any state of the United States of America and the District of Columbia.

United Kingdom

This Tender Offer Memorandum has been issued by the Offeror, which is authorised by the Prudential Regulation Authority (the “**PRA**”) and regulated by the PRA and the Financial Conduct Authority (the “**FCA**”). This Tender Offer Memorandum is being distributed only to existing holders of the Notes, and is only addressed to such existing holders in the United Kingdom where they would (if they were clients of the Offeror) be *per se* professional clients or *per se* eligible counterparties of the Offeror within the meaning of the FCA rules. This Tender Offer Memorandum is not addressed to or directed at any persons who would be retail clients within the meaning of the FCA rules and any such persons should not act or rely on it. Recipients of this Tender Offer Memorandum should note that the Offeror is acting on its own account in relation to the Offer and will not be responsible to any other person for providing the protections which would be afforded to clients of the Offeror or for providing advice in relation to the Offer.

In addition, the communication of this Tender Offer Memorandum by the Offeror and any other documents or materials relating to the Offers is not being made, and such documents and/or materials have not been approved, by an authorised person for the purposes of section 21 of the Financial Services and Markets Act 2000 (the “**FSMA**”). Accordingly, such documents and/or materials are not being distributed to, and must not be passed on to, the general public in the United Kingdom. The communication of such documents and/or materials is only being made to, and may only be acted upon by, those persons in the United Kingdom falling within the definition of investment professionals (as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “**Financial Promotion Order**”)) other persons who are (1) within Article 43(2) of the Financial Promotion Order and (2) to any other persons to whom these documents and/or materials may lawfully be communicated under the Financial Promotion Order (together, relevant persons). Any investment or investment activity to which this Tender Offer Memorandum relates is available only to relevant persons and will be engaged in only with relevant persons (and is subject to other restrictions referred to in the Financial Promotion Order).

Singapore

This Tender Offer Memorandum has not been registered as a prospectus with the Monetary Authority of Singapore under the Securities and Futures Act Chapter 289 (as amended) of Singapore (“**SFA**”). Accordingly, the Offers have not been, and will not be offered or made the subject of an invitation, and nor will the Tender Offer Memorandum or other document in connection with the offer or sale, or invitation for purchase, of the Notes, be made available, whether directly or indirectly, to any person in Singapore other than:

- (a) to an institutional investor (as defined in Section 4A of the SFA), pursuant to Section 274 of the SFA;

- (b) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA; or
- (c) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

In particular, where each of the following relevant persons specified in Section 275 of the SFA has participated in the Offers, namely a person who is:

- (i) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (ii) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

- (A) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
- (B) where no consideration is or will be given for the transfer;
- (C) where the transfer is by operation of law;
- (D) as specified in Section 276(7) of the SFA; or
- (E) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

Hong Kong

- (a) The Offers have not been made in the Hong Kong Special Administrative Region of the People's Republic of China ("**Hong Kong**"), by means of any document (including this Tender Offer Memorandum) other than:
 - (i) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong ("**SFO**") and any rules made under the SFO; or
 - (ii) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap 32) of Hong Kong ("**CO**") or which do not constitute an offer to the public within the meaning of the CO.
- (b) No person has issued, or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue (in each case whether in Hong Kong or elsewhere), any advertisement, invitation, or other offering material or other document relating to the Offers (including this Tender Offer Memorandum) which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to the Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" within the meaning of the SFO and any rules made under the SFO.

Prohibition on offers to EEA and UK retail investors

The Offers contemplated by the Tender Offer Memorandum are not being made to any retail investors in the European Economic Area (“EEA”) or in the United Kingdom (“UK”).

For the purposes of this provision, the expression:

- (a) “**retail investor**” means a person who is one (or more) of the following:
 - (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or
 - (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; and
- (b) “**offer**” includes the communication in any form and by any means of sufficient information on the terms of the Offers so as to enable a Holder to decide to participate in the Offers.

General

The Joint Dealer Managers, the Tender Agent and the Information Agent (and their respective directors, officers, employees, agents or affiliates) make no representations or recommendations whatsoever regarding this Tender Offer Memorandum or the Offers.

This Tender Offer Memorandum does not constitute an offer to buy or the solicitation of an offer to sell Notes (and tenders of Notes in the Offers will not be accepted from Holders) in any circumstances in which such offer or solicitation is unlawful. In those jurisdictions where the securities, blue sky or other laws require an Offer to be made by a licensed broker or dealer or similar and the Joint Dealer Managers or any of their respective affiliates is such a licensed broker or dealer or similar in any such jurisdiction, the relevant Offer shall be deemed to be made by such Joint Dealer Manager or such affiliate, as the case may be, on behalf of the Offeror in such jurisdiction.

In addition to the representations referred to above, each Holder participating in the Offers will also be deemed to give certain representations, acknowledgements, warranties and undertakings and make certain agreements in respect of the other jurisdictions referred to above and generally as set out in “*Procedures for Participating in the Offers*”. Any tender of Notes for purchase pursuant to the Offers from a Holder that is unable to make these representations will not be accepted. Each of the Offeror, the Joint Dealer Managers, the Tender Agent and the Information Agent reserves the right, in its absolute discretion (and without prejudice to the relevant Holder’s responsibility for the representations made by it), to investigate, in relation to any tender of Notes for purchase pursuant to the Offers, whether any such representation given by a Holder is correct and, if such investigation is undertaken and as a result the Offeror determines (for any reason) that such representation is not correct, such tender shall not be accepted.

INDICATIVE TIMETABLE

This is an indicative timetable showing one possible outcome for the timing of the Offers based on the dates in this Tender Offer Memorandum. This timetable is subject to change and dates and times may be extended, re-opened or amended by the Offeror in accordance with the terms of the Offers as described in this Tender Offer Memorandum. Accordingly, the actual timetable may differ from the timetable below.

| Date and Time | Action |
|--|---|
| 12 May 2020 | <i>Announcement of the Offers</i> |
| 5.00 p.m. (Sydney time) on 26 May 2020 | <i>Expiration Deadline</i> |
| At or around 10.30 a.m. (Sydney time) on 27 May 2020 (the “ Price Determination Date ”) | <i>Price Determination Time</i> |
| As soon as practicable after the Price Determination Time | <i>Announcement of Pricing and Results of Offers</i> |
| No later than 12.00 noon (Sydney time) on 2 June 2020 | <i>Match Time</i> |
| Expected to be 3 June 2020 | <i>Settlement Date</i> |

Subject to applicable securities laws and the terms set out within this Tender Offer Memorandum, the Offeror reserves the right, with respect to any or all of the relevant Notes, (i) to waive or modify in whole or in part any and all conditions to the Offers, (ii) to extend the Expiration Deadline, (iii) to modify or terminate the Offers or (iv) to otherwise amend the Offers in any respect. In the event that the Offers are terminated or otherwise not completed, the applicable Purchase Price relating to the Notes subject to the Offers will not be paid or become payable, without regard to whether Holders have validly tendered their Notes.

Holders are advised to check with any Intermediary through which they hold Notes when such Intermediary would require to receive instructions from a Holder in order for that Holder to be able to participate in, or (in the limited circumstances in which revocation is permitted) revoke their instruction to participate in, the Offers before the deadlines specified above. The deadlines set by any such Intermediary and the Austraclear System for the submission and withdrawal of the match and/or Confirmation of Acceptance and Settlement Instruction will be earlier than the relevant deadlines specified above. See “*Procedures for Participating in the Offers*”.

DEFINITIONS

| | |
|--|---|
| Accrued Interest | Interest accrued and unpaid on the relevant Notes from (and including) the immediately preceding interest payment date for such Notes to (but excluding) the Settlement Date calculated in accordance with the Conditions. |
| Accrued Interest Payment | An amount in cash equal to the Accrued Interest (calculated in accordance with the applicable Conditions) on the relevant Notes validly tendered for purchase by a Holder and accepted for purchase by the Offeror. |
| Announcement of Pricing and Results of Offers | The announcement by the Offeror of whether it will accept valid tenders of Notes of any Series pursuant to the relevant Offer and the relevant Purchase Price in relation to each Series of Notes accepted for purchase. |
| Austraclear | Austraclear Ltd (ABN 94 002 060 773) as operator of the Austraclear System. |
| Austraclear Participant | Has the meaning given in the Austraclear Regulations. |
| Austraclear Regulations | The Austraclear Regulations means the regulations known as the “Austraclear Regulations”, together with any instructions or directions, (as amended or replaced from time to time) established by Austraclear to govern the use of the Austraclear System and binding on the participants of that system. |
| Austraclear System | The clearing and settlement system operated by Austraclear in Australia for holding securities and electronic recording and settling of transactions in those securities between participants of that system. |
| Business Day | A day (other than a Saturday or a Sunday or a public holiday) on which banks are open for general banking business in Sydney. |
| Conditions | In relation to a Note, the terms and conditions set out in the Information Memorandum as amended, supplemented, modified or replaced by the Pricing Supplement applicable to such Note. |
| Confirmation of Acceptance and Settlement Instruction | The Confirmation of Acceptance and Settlement Instruction as described in the section “ <i>Terms and Conditions of the Offers</i> ” below. |
| Direct Participant | Each person shown in the records of the Austraclear System as a holder of the Notes. |
| Expiration Deadline or Expiration Time | 5.00 p.m. (Sydney time) on 26 May 2020 (subject to the right of the Offeror to extend, re-open and/or terminate the relevant Offer, as applicable). |
| Financial Promotion Order | The Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended). |
| Fixed Spread | (i) +100 basis points (expressed on an annual basis) in respect of the August 2022 FXD Notes; |

| | |
|--|---|
| | (ii) +100 basis points (expressed on an annual basis) in respect of the August 2022 Floating Rate Notes; and |
| | (iii) +165 basis points (expressed on an annual basis) in respect of the August 2025 FXD Notes. |
| Group | LBG and its subsidiary and associated undertakings. |
| Holder | A holder of the Notes. |
| Information Agent | Lucid Issuer Services Limited. |
| Intermediary | Any broker, dealer, bank, custodian, trust company, nominee or other Direct Participant in the Austraclear System who holds Notes or an interest in Notes on behalf of another person. |
| Joint Dealer Managers | Citigroup Global Markets Limited and Nomura International plc (together where the context so requires, with their respective affiliates). |
| LBG | Lloyds Banking Group plc. |
| Match Time | No later than 12.00 noon (Sydney time) on 2 June 2020. |
| Offer and Distribution Restrictions | The offer and distribution restrictions referred to in “ <i>Offer and Distribution Restrictions</i> ”. |
| Offeror | Lloyds Bank plc. |
| Offers | The invitations on the terms and subject to the conditions contained in this Tender Offer Memorandum by the Offeror to Holders of the Notes to tender their Notes (subject to the Offer and Distribution Restrictions contained herein) for purchase by the Offeror at the applicable Purchase Price. The invitation in respect of each Series of the Notes constitutes a separate Offer. |
| Price Determination Date | 27 May 2020. |
| Price Determination Time | At or around 10.30 a.m. (Sydney time) on the Price Determination Date, or at such other time and date as agreed between the Joint Dealer Managers and the Offeror. |
| Purchase Price | The relevant Purchase Price payable in respect of the Notes of each Series, to be announced in the Announcement of Pricing and Results of Offers, which will be the sum of <ul style="list-style-type: none"> (a) the relevant clean price determined by the Offeror in consultation with the Joint Dealer Managers in accordance with standard market practice and conventions for Australian dollar denominated securities, expressed as a percentage of the principal amount, rounded to the nearest 0.001 per cent. (with 0.0005 per cent. being rounded up) which: <ul style="list-style-type: none"> (i) in respect of the August 2022 FXD Notes and the August 2025 FXD Notes, will be calculated by reference to the 2022 or 2025 semi-quarterly coupon matched asset swap rate as applicable (each, the “2022 SQ ASW” and the “2025 SQ ASW” respectively) determined on the Price |

Determination Date, plus the applicable Fixed Spread; or

- (ii) in respect of the August 2022 Floating Rate Notes, will be calculated by reference to the 3 month BBSW Rate determined on the Price Determination Date, plus the applicable Fixed Spread,

such clean prices, in each case, once determined, will, in the absence of manifest or proven error, be final and binding on the Offeror, the Holders and any other person, and in each case such clean price multiplied by the relevant nominal amount of each Series of Notes validly tendered and accepted for purchase, plus

- (b) the applicable Accrued Interest Payment.

Sanctions Authority

Each of:

- (a) the United States government;
- (b) the United Nations;
- (c) the European Union (or any of its member states);
- (d) the United Kingdom;
- (e) the Commonwealth of Australia; and
- (f) any other relevant governmental or regulatory authority, institution or agency which administers economic, financial or trade sanctions; or
- (g) the respective governmental institutions and agencies of any of the foregoing including, without limitation, the Office of Foreign Assets Control of the U.S. Department of the Treasury, the United States Department of State, the United States Department of Commerce and Her Majesty's Treasury.

Sanctions Restricted Person

An individual or an entity (a "**Person**"):

- (a) that is, or is owned or controlled by a Person that is, described or designated in (i) the most current "*Specially Designated Nationals and Blocked Persons*" list (which as of the date hereof can be found at: <https://www.treasury.gov/resource-center/sanctions/SDN-List/Pages/default.aspx>), (ii) the Foreign Sanctions Evaders List (which as at the date hereof can be found at <http://www.treasury.gov/ofac/downloads/fse/fselist.pdf>), (iii) the most current "*Consolidated list of persons, groups and entities subject to EU financial sanctions*" (which as of the date hereof can be found at: http://eeas.europa.eu/cfsp/sanctions/consolidated-list/index_en.htm), or (iv) <https://www.dfat.gov.au/international-relations/security/sanctions/Pages/consolidated-list>; or

- (b) that is otherwise the subject of any sanctions administered or enforced by any Sanctions Authority, other than solely by virtue of their inclusion in: (i) the most current “*Sectoral Sanctions Identifications*” list (which as of the date hereof can be found at: http://www.treasury.gov/resource-center/sanctions/SDN-List/Pages/ssi_list.aspx) (the “**SSI List**”), (ii) Annexes III, IV, V and VI of Council Regulation No.833/2014, as amended by Council Regulations No.960/2014, 2015/1797 and 2017/2212 (the “**EU Annexes**”), or (iii) any other list maintained by a Sanctions Authority, with similar effect to the SSI List or the EU Annexes.

Series

Each series of Notes.

Settlement Date

Expected to be 3 June 2020 (subject to the right of the Offeror to extend, re-open, amend and/or terminate the relevant Offer).

Tender Agent

BTA Institutional Services Australia Limited (ABN 48 002 916 396).

RISK FACTORS AND OTHER CONSIDERATIONS

Before making a decision with respect to the Offers, Holders should carefully consider, in addition to the other information contained in this Tender Offer Memorandum, the following:

No obligation to accept any tendered Notes for purchase.

The Offeror is not under any obligation to accept, and shall have no liability to any person for non-acceptance of, any tender of Notes for purchase pursuant to the Offers. Tenders of Notes for purchase may be rejected in the sole discretion of the Offeror for any reason and the Offeror is not under any obligation to Holders to furnish any reason or justification for refusing to accept a tender of Notes for purchase. For example, tenders of Notes for purchase may be rejected if the Offers do not comply with the relevant requirements of a particular jurisdiction or for any other reason, in all cases in the sole discretion of the Offeror.

No assurance the Offers will be completed.

Until the Offeror announces it has accepted tenders of Notes for purchase in the Offers, no assurance can be given that the Offers will be completed. The consummation of the Offers is subject to the satisfaction or waiver of the conditions of the Offers. See “*Terms and Conditions of the Offers — General Conditions of the Offers*”. In addition, subject to applicable law and as provided in this Tender Offer Memorandum, the Offeror may, in its sole and absolute discretion, extend, re-open, amend and/or terminate any Offer at any time before such announcement and may, in its sole and absolute discretion, waive any of the conditions to any Offer either before or after such announcement.

Uncertainty as to the trading market for Notes not purchased.

Notes purchased by the Offeror pursuant to the Offers will be cancelled and will not be re-issued or re-sold. The trading market for the Notes that remain outstanding following the completion of such Offer may be significantly more limited. If a significant portion of the outstanding Notes of any given Series are purchased pursuant to the Offers, it would have a negative impact on the liquidity of the Notes that remain outstanding following completion of the relevant Offer. Any such remaining Notes may command a lower price than a comparable issue of securities with greater market liquidity. A reduced market value and liquidity may also make the trading price of such remaining Notes more volatile. Accordingly, the market price for such Notes that remain outstanding after the completion of such Offers may be adversely affected as a result of such Offers. None of the Offeror, the Joint Dealer Managers, the Tender Agent or the Information Agent has any duty to make a market in any such remaining Notes. It will not be possible to ascertain the aggregate nominal amount of the Notes to be accepted for purchase prior to the Expiration Deadline.

Non-tendering or continuing Holders.

Holders who do not participate in the Offer, or whose Notes are not accepted for purchase by the Offeror pursuant to the Offer, will continue to hold their Notes subject to the terms and conditions of the Notes.

Restrictions on transfer of Notes.

When considering whether to tender Notes in the Offers, Holders should take into account that restrictions on the transfer of the Notes will apply from the time of such tender. Such a Holder will, on tendering Notes in the Offers, agree that the relevant Notes cannot be transferred, sold or otherwise dealt from the date that the tender of Notes is made until the earlier of (i) time of settlement on the Settlement Date (ii) the date of any termination or withdrawal of the Offers (iii) the date on which a Confirmation of Acceptance and Settlement Instruction is validly revoked (in the limited circumstances in which such revocation is permitted in accordance with the terms of the Offers), and in all cases otherwise than in connection with the delivery of any relevant Notes accepted for purchase pursuant to the Offers to the Designated Austraclear Account and settlement of the Offers.

Tender instructions irrevocable.

Tender instructions will be irrevocable except in the limited circumstances described in “*Terms and Conditions of the Offers – Extension, Termination, Amendment and Revocation*”.

Purchases and other issues of Notes.

Whether or not the purchase of any Notes pursuant to the Offers is completed, the Joint Dealer Managers, Tender Agent and Information Agent and/or any of their respective affiliates may, to the extent permitted by applicable law (and any applicable contractual restrictions), acquire (from time to time both during and after the Offers) Notes other than pursuant to the Offers, including through open market purchases, privately negotiated transactions, tender offer, exchange offer or otherwise. Such purchases may be made on such terms and at such prices as the Joint Dealer Managers, the Tender Agent or the Information Agent may determine, which may be more or less than the prices to be paid pursuant to the Offers and could be for cash or other consideration or otherwise on terms more or less favourable than those contemplated by the Offers. The Offeror also reserves the right to issue new debt securities from time to time, including during the term of the Offers.

Sanctions Restricted Persons.

A Holder who is a Sanctions Restricted Person (as defined herein) may not participate in the Offers. No steps taken by a Sanctions Restricted Person to tender any or all of its Notes for purchase pursuant to this Tender Offer Memorandum will be accepted by the Offeror and such Sanctions Restricted Person will not be eligible to receive the relevant Purchase Price in any circumstances. The Offeror reserves the absolute right to reject any tender instruction when the Offeror in its sole and absolute discretion is of the view that such tender instruction has been submitted by or on behalf of a Sanctions Restricted Person.

The restrictions described in this paragraph shall not apply if and to the extent that they are or would be unenforceable by reason of breach of (i) any provision of Council Regulation (EC) No 2271/1996 of 22 November 1996 (or any law or regulation implementing such Regulation in any member state of the European Union or the United Kingdom) or (ii) any similar blocking or anti-boycott law in the European Union or the United Kingdom.

TERMS AND CONDITIONS OF THE OFFERS

Introduction

On the terms and subject to the conditions contained in this Tender Offer Memorandum the Offeror invites Holders of each Series of the Notes to tender any and all of their Notes (subject to the Offer and Distribution Restrictions contained herein) for purchase by the Offeror for cash at the relevant Purchase Price for settlement on or about the Settlement Date.

Rationale for the Offers

The Offeror is making the Offers in order to provide the Holders of the Notes with an opportunity to have their Notes repurchased while maintaining a prudent approach to the management of LBG's funding and liquidity base.

Acceptance of Offers

Any Notes purchased by the Offeror pursuant to the Offers will be cancelled and will not be re-issued or re-sold.

Holders of Notes who have validly tendered Notes and whose Notes have been accepted by the Offeror will receive the applicable Purchase Price in respect of the relevant Notes.

As soon as practicable after the Price Determination Time, the Offeror will publicly announce, as applicable the Purchase Price.

Valid tenders of Notes accepted by the Offeror on the Price Determination Date will constitute binding obligations of the submitting Holders and the Offeror to settle the Offers, in the manner described below, subject at all times to the conditions described below.

Announcement of Pricing, Acceptance and Results of Offers

The Offeror intends to announce, as soon as reasonably practicable after the Price Determination Time, whether it will accept valid tenders of Notes of any Series pursuant to the relevant Offer and the relevant Purchase Price in relation to each Series of Notes accepted for purchase.

Payment

If the Notes validly tendered in the Offers are accepted for purchase by the Offeror, the relevant Purchase Price for Notes accepted for purchase pursuant to the relevant Offer(s) will be paid by the Tender Agent, in its capacity as the settlement agent, on behalf of the Offeror on the Settlement Date (subject to the right of the Offeror to delay the acceptance of the Offers as set out in this Tender Offer Memorandum) in multiple settlement transactions and in immediately available funds delivered to, or at the direction of, Austraclear (see "*Procedures for Participating in the Offers*"). The deposit of such funds with, or at the direction of, Austraclear will satisfy and discharge the obligation of the Offeror to all relevant Holders in respect of the above amounts represented by such funds.

Provided the Offeror makes or has made on its behalf full payment of the relevant Purchase Price for Notes accepted for purchase pursuant to the relevant Offers on or before the Settlement Date (subject to any postponement of the Settlement Date as described above), under no circumstances will any additional amount

of or relating to interest be payable because of any delay in the transmission of funds from Austraclear or any other Intermediary with respect to such Notes.

The Tender Agent, in its capacity as the settlement agent, may, after consultation with the Offeror where practicable, elect to postpone or not proceed with a settlement transaction if any earlier settlement transaction fails to complete. In this event, none of the Offeror, the Tender Agent or any Joint Dealer Manager will have any liability to a relevant Holder or to any other person for such settlement transaction failing to complete.

Extension, Termination, Amendment and Revocation

Subject to applicable law, the Offeror reserves, in its sole and absolute discretion, the right to extend, withdraw, terminate, vary or amend the terms and conditions of the Offers at any time after the announcement of the Offers but prior to the Match Time, including with respect to the Expiration Time, the Match Time or the Settlement Date and with respect to any Confirmation of Acceptance and Settlement Instruction already submitted as of the time of any such extension, withdrawal, termination, variation or amendment. If an Offer (or any part of it) is terminated, withdrawn, amended or varied, or if there is a variation to the Expiration Time, the Match Time or the Settlement Date prior to the Expiration Time, the Offeror will notify the Holders that the Offer has been terminated, withdrawn, amended or varied or that the Expiration Time, the Match Time or the Settlement Date has been varied and give details of any amendment or variation or change in such time or date.

If the Offer (or any part of it) is terminated or withdrawn, to the extent of that termination or withdrawal, no purchase of Notes will occur unless otherwise agreed by the Offeror (whether or not a Confirmation of Acceptance and Settlement Instruction has been given before notice of the termination or withdrawal is received).

If, in the opinion of the Offeror (after consultation with the Joint Dealer Managers), an Offer is amended or varied in any manner that would be materially prejudicial to the interests of the Holders, a Holder may by notice to the Tender Agent (on behalf of the Offeror) by 2.00 p.m. (Sydney time) on the business day following the notice of amendment or variation (or such other time as the Holder and the Tender Agent (following prior approval of the Offeror) may agree) revoke its Confirmation of Acceptance and Settlement Instruction, as the case may be (failing which the Confirmation of Acceptance and Settlement Instruction shall remain in effect in respect of the Offer as amended or varied). For the purposes of this paragraph, a variation to the Expiration Time, the Match Time or the Settlement Date will not constitute a materially prejudicial amendment or variation of the Offer. In addition, and for the avoidance of doubt, any extension or re-opening of an Offer (including any amendment in relation to the Expiration Deadline and/or the Settlement Date) in accordance with the terms of the Offers as described in this section "*Extension, Termination, Amendment and Revocation*" shall not be considered materially prejudicial to Holders that have already tendered Notes in such Offer before the announcement of such amendment (provided that the settlement date of such Offer as so extended or re-opened will fall no later than the day falling ten Business Days after the originally scheduled Settlement Date).

For the avoidance of doubt, the Offeror may terminate, withdraw, amend or vary the Offer being made to one Series of Notes only. If the Offer in respect of only one of the Series of Notes is so terminated, withdrawn, amended or varied, the only Holders of that affected Existing Series will be notified.

The Offeror also reserves the right at any time or from time to time following completion or cancellation of the Offers, to purchase or exchange or offer to purchase or exchange Notes or to issue an invitation to submit offers to sell Notes (including, without limitation, those tendered pursuant to the Offers but not accepted for purchase), in each case on terms that may be more or less favourable than those contemplated by the Offers.

The making of such new offer and the issuance of any new invitation will depend on various factors, including interest rates prevailing at such time and the aggregate nominal amount of Notes purchased pursuant to the Offers.

The Offeror reserves the right, subject to applicable law, to amend the terms of the Offers without giving Holders additional withdrawal rights.

Notes that are not successfully tendered for purchase pursuant to the Offers will remain outstanding and will remain subject to the terms and conditions of such Notes.

Holders wishing to exercise any right of revocation as set out above should do so in accordance with the procedures set out in “*Procedures for Participating in the Offers*”. Beneficial owners of Notes that are held through an Intermediary are advised to check with such entity when it would require receipt of instructions to revoke a tender of Notes in the Offers in order to meet the above deadline. For the avoidance of doubt, any Holder who does not exercise any such right of revocation in the circumstances and in the manner specified above shall be deemed to have waived such right of revocation and its original tender instruction will remain effective.

Costs and Expenses

Any charges, costs and expenses incurred by the Holders or any Intermediary in connection with the Offers shall be borne by such Holder. No brokerage costs are being levied by the Joint Dealer Managers, the Tender Agent or the Information Agent. Holders should check whether their brokers or custodians will assess fees.

General Conditions of the Offers

In all cases, the purchase for cash of Notes pursuant to the Offers will only be made after the submission of a valid Confirmation of Acceptance and Settlement Instruction in accordance with the procedures described in “*Procedures for Participating in the Offers*” below.

The Offeror may reject tenders of Notes for any reason and if it considers in its sole and absolute discretion that tenders have not been validly tendered in the relevant Offer and the Offeror is not under any obligation to any relevant Holder to furnish any reason or justification for refusing to accept such tenders. **For example, tenders of Notes may be rejected and not accepted and may be treated as not having been validly tendered in the Offers if any such tender does not comply with the requirements of a particular jurisdiction.**

The Offeror will at any time have the discretion to accept for purchase any Notes tendered in the relevant Offer, the tender of which would otherwise be invalid or, in the sole opinion of the Offeror, may otherwise be invalid.

Holders are advised that the Offeror may, in its sole and absolute discretion, accept tenders of Notes for purchase pursuant to an Offer on more than one date if such Offer is extended or re-opened (subject to applicable laws).

All conditions to the Offers set out in this Tender Offer Memorandum will, if any Notes are to be accepted for purchase on the Settlement Date, be either satisfied or waived by the Offeror concurrently with or before the Settlement Date. If any of the conditions are not satisfied by the Expiration Deadline, the Offeror may, in its sole and absolute discretion and without giving any notice, terminate the relevant Offer or extend the relevant Offer and continue to accept tenders.

The failure by the Offeror at any time to exercise any of the foregoing rights will not be deemed a waiver of any other right and each right will be deemed an on-going right that may be asserted at any time and from time to time. The purchase of any Notes of any Series is not conditional upon the purchase of Notes of any other

Series; however, Notes will be purchased by the Offeror in accordance with the procedures described under “*Terms and Conditions of the Offers – Extension, Termination, Amendment and Revocation*”.

The failure of any person to receive, or any delay in any person’s receipt of, a copy of this Tender Offer Memorandum or any announcement made or notice issued by the Offeror in connection with the Offers shall not invalidate any aspect of the Offers. No acknowledgement of receipt of any document will be given by the Offeror, the Tender Agent or the Information Agent.

Subject only as aforesaid, the acceptance of Notes validly tendered in accordance with the terms of the Offers by the Offeror will be irrevocable and once accepted the Offers will constitute binding obligations of the submitting Holders and the Offeror to settle the relevant Offer.

Irregularities

All questions as to the validity, form and eligibility (including time of receipt) of any Confirmation of Acceptance and Settlement Instruction or as to the revocation of any Confirmation of Acceptance and Settlement Instruction will be determined by the Offeror in its sole and absolute discretion, and such determination will be final and binding.

In relation to each Offer, the Offeror reserves the absolute right to (i) reject any and all Confirmations of Acceptance and Settlement Instructions, or (in the limited circumstances in which revocation is permitted) revocation instructions not in proper form or in respect of which the acceptance by the Offeror may be unlawful, (ii) waive any defects, irregularities or delay in the submission of any and all Confirmations of Acceptance and Settlement Instructions or revocation instructions and (iii) waive any such defect, irregularity or delay in respect of particular Notes, whether or not the Offeror elects to waive similar defects, irregularities or any delay in respect of other Notes.

Any defect, irregularity or delay must be cured within such time as the Offeror determines, unless waived by it. Tender instructions will be deemed not to have been made until such defects, irregularities or delays have been cured or waived. None of the Offeror, the Joint Dealer Managers, the Tender Agent or the Information Agent shall be under any duty to give notice to a Holder of any defects, irregularities or delays in the receipt or non-receipt of any tender instruction or revocation instructions nor shall any of them incur any liability for failure to give such notice.

Announcements

Unless stated otherwise, announcements in connection with the Offers will be made, as applicable, by (a) publication on the website of the Australian Securities Exchange (www.asx.com), (b) the delivery of notices to the Austraclear Systems for communication to Direct Participants and (c) through the issue of announcements to a news service such as Bloomberg or Reuters, and may also be found on the relevant Reuters International Insider Screen.

Copies of all such announcements, press releases and notices can also be obtained from the Tender Agent and the Information Agent, the contact details for which are on the last page of this Tender Offer Memorandum. Significant delays may be experienced where notices are delivered to the Austraclear Systems and Holders are urged to contact the Tender Agent and/or Information Agent for the relevant announcements during the course of the Offers. In addition, holders of Notes may contact the Joint Dealer Managers for information, the contact details for which are on the last page of this Tender Offer Memorandum.

Governing Law

This Tender Offer Memorandum, the Offers, each tender instruction, any purchase of Notes pursuant to the Offers and any non-contractual obligations arising out of or in connection with the Offers shall be governed by

and construed in accordance with laws of New South Wales. By submitting a tender instruction, the relevant Holder will irrevocably and unconditionally agree for the benefit of the Offeror, the Joint Dealer Managers, the Tender Agent and the Information Agent that the courts of New South Wales are to have jurisdiction to settle any disputes that may arise out of or in connection with the Offers or such tender instruction and that, accordingly, any suit, action or proceedings arising out of or in connection with the foregoing may be brought in such courts.

PROCEDURES FOR PARTICIPATING IN THE OFFERS

*Holder*s that need assistance with respect to the procedures for participating in the Offers should contact the Tender Agent, the contact details for whom are on the last page of this Tender Offer Memorandum.

Tender instructions

Set out below are certain procedures relevant to tendering Notes for purchase. The Offeror will only accept tenders of Notes in the relevant Offer by way of the submission of valid instructions in accordance with the procedures set out in this section “*Procedures for Participating in the Offers*” and to participate in an Offer a Holder must comply with such procedures. It is also each Holder’s responsibility to inform itself of, and arrange for timely tender of its Notes in accordance with, the procedures and deadlines applicable to any Intermediary or clearing system through which it tenders its Notes.

Notwithstanding any other provision in this Tender Offer Memorandum, the Offeror’s obligation to purchase any or some of the Notes of either any Series of Notes and to pay the Purchase Price to a Holder is conditional upon:

- (a) the receipt by the Tender Agent (on behalf of the Offeror) of:
 - (i) if the Holder is an Austraclear System Direct Participant (as defined in the Austraclear Regulations) and holds the Notes in its account in the Austraclear System a valid “Confirmation of Acceptance and Settlement Instruction” (see Annexure A to this Tender Offer Memorandum) from the Holder in respect of the relevant Series of Notes; or
 - (ii) if the Notes are held by an Intermediary on behalf of the Holder in the Austraclear System, a valid “Confirmation of Acceptance and Settlement Instruction” (see Annexure A to this Tender Offer Memorandum) from the Intermediary in respect of the relevant Series of Notes,
before the Expiration Time;
- (b) there not being, in the sole opinion of the Offeror, any threatened or pending condition, development, act or event that would prohibit or restrain the consummation or validity of the relevant Offer nor any legal impediment to the acceptance for payment of, or payment for, any of the Relevant Notes by the Offeror;
- (c) the Offeror, in its sole and absolute discretion, agreeing to purchase some or all of the Notes the subject of a Confirmation of Acceptance and Settlement Instruction; and
- (d) any other requirement or condition set out in this Tender Offer Memorandum.

The Notes the Offeror agrees to purchase and to be actually purchased by the Offeror are referred to as the “**Relevant Notes**”.

In addition, each Holder must submit, and if relevant, must procure that its Intermediary submits, the Holder’s Relevant Notes to the Austraclear System in a matched status no later than 12.00 noon (Sydney time) on 2 June 2020 (the “**Match Time**”). **Only an Austraclear System Direct Participant may submit the Relevant Notes to the Austraclear System in a matched status. Each Holder who is not an Austraclear System Direct Participant must arrange for its Intermediary who is an Austraclear System Direct Participant to submit the Holder’s Relevant Notes to the Austraclear System in a matched status before the Match Time.** The Tender Agent may, after consultation with the Offeror where practicable, elect to exclude from the Offer and settlement of any Note which has not been submitted to the Austraclear System in a matched status before the Match Time.

Notes are denominated in a single denomination of A\$10,000, and accordingly a Holder may only participate in the Offer, and the Offeror will only purchase any Notes, in integral amounts of A\$10,000.

All completed Confirmation of Acceptance and Settlement Instructions must be sent to the attention of “Lloyds Buyback Tender Agent” at the Tender Agent at the following address no later than the Expiration Time.

All emails attaching the Confirmation of Acceptance and Settlement Instruction **must** state “**Lloyds Buyback Tender Agent**” in its **subject line**.

| Tender Agent’s contact details | |
|---------------------------------------|--|
| Attention: | Lloyds Buyback Tender Agent Geraldine Fernandez |
| Email: | BNYM CT Aus RMG@bnymellon.com ; Geraldine.Fernandez@BNYMellon.com |
| Fax: | +61 2 9260 6009 |
| Tel: | +61 2 9260 6000 |
| Address: | Level 2 1 Bligh Street Sydney NSW 2000 Australia |

A Confirmation of Acceptance and Settlement Instruction once given, is irrevocable, except as provided above in “*Terms and Conditions of the Offers*”.

Completion

If the conditions set out above have been satisfied or waived, and, if a Holder accepts the Offer prior to the Expiration Time, and to the extent that the Offer has not been terminated or withdrawn by the Offeror prior to the Match Time, then (i) prior to the Match Time each Holder must submit and, if relevant, must instruct and procure that its Intermediary submits the Holder’s Relevant Notes to the Austraclear System in a matched status; and (ii) on the Settlement Date each relevant Holder must make arrangements to transfer the Relevant Notes held by them to the Offeror (or otherwise as it directs) against payment for those Relevant Notes by, or on behalf of, the Offeror. In order to facilitate the settlement of such purchase, the Offeror and the relevant Holders confirm that settlement will take place on the following basis:

- (a) the Relevant Notes held by, or on behalf of, that Holder will be purchased by and must be transferred to the Tender Agent (on behalf of the Offeror); and
- (b) the Purchase Price will be paid to the Holder by the Tender Agent (on behalf of the Offeror),

in each case through the Austraclear System in accordance with accepted market practice, or in such other manner as is agreed between the Holder and the Tender Agent.

Except as set out above, each relevant Holder will be deemed to agree and acknowledge that the Tender Agent is acting only as an independent settlement agent to facilitate the purchase of the Relevant Notes and the payment of the Purchase Price as described above and nothing in this Tender Offer Memorandum constitutes a commitment by the Tender Agent or by any Joint Dealer Manager to purchase any Notes or to otherwise underwrite, or provide funding for, the purchase of any Notes by the Offeror.

Holder Acknowledgements, Representations, Warranties and Undertakings

By submitting (i) for each Holder who is an Austraclear Participant, a Confirmation of Acceptance and Settlement Instruction; and (ii) for each Holder who is not an Austraclear Participant and that Holder's Intermediary, a Confirmation of Acceptance and Settlement Instruction, a Holder and any Intermediary submitting such Confirmation of Acceptance and Settlement Instruction on such Holder's behalf shall be deemed to agree and to, acknowledge, represent, warrant and undertake to the Offeror, the Joint Dealer Managers and the Tender Agent the following on the date of submission of such Confirmation of Acceptance and Settlement Instruction, on the Expiration Deadline and on the Settlement Date (if the Holder of such Notes or the Direct Participant is unable to give these acknowledgements, agreements, representations, warranties and undertakings, such Holder or Direct Participant should contact the Tender Agent immediately):

- (a) it has received this Tender Offer Memorandum, and has reviewed and accepts the Offer and Distribution Restrictions, terms, conditions, risk factors and other considerations of the Offers all as described in this Tender Offer Memorandum, and it is assuming all the risks inherent in participating in the relevant Offer and has undertaken an appropriate analysis of the implications of the Offers without reliance on any of the Offeror, the Joint Dealer Managers or the Tender Agent (or any of their respective directors, officers, employees, agents or affiliates);
- (b) by completing the Confirmation of Acceptance and Settlement Instruction, it will be deemed to consent, in the case of a Holder, to have its Intermediary provide details concerning its identity to the Tender Agent (and for the Tender Agent to provide such details to the Offeror and the Joint Dealer Managers, and their respective legal advisers);
- (c) upon the terms and subject to the conditions of the Offers it irrevocably tenders for purchase in the Offers the aggregate nominal amount of Notes held by it and, subject to and effective upon the purchase by the Offeror of such Notes, it renounces all right, title and interest in and to all such Notes purchased by or at the direction of the Offeror pursuant to the Offers and waives and releases any rights or claims it may have against the Offeror with respect to any such Notes or the Offers, as the case may be, and it unconditionally and irrevocably releases, discharges and waives all claims (including all claims for interest, costs and orders for costs), actions and causes of action, present or future and however arising, whether or not presently known or unknown (including those which arise hereafter upon a change in the relevant law) whether arising in equity or under common law or statute or by reason of breach of contract or in respect of any tortious act or omission or otherwise (whether or not damage has yet been suffered), it has, may have or had against the Offeror and each of its present or former directors, officers, employees, agents or affiliates which arise out of or relate to, or are in any way connected with the Notes, or non-contractual obligations arising out of or in connection with the Notes. Further, it undertakes and covenants not to, and shall procure that any entity controlled, directly or indirectly, by it, or that controls, directly or indirectly, it, shall not, make, pursue, litigate, commence or prosecute any proceedings in relation to the Notes, or non-contractual obligations arising out of or in connection with the Notes, against the Offeror or any of its present or former directors, officers, employees, agents or affiliates;
- (d) it agrees to ratify and confirm each and every act or thing that may be done or effected by the Offeror, any of their directors or any person nominated by the Offeror in the proper exercise of his or her powers and/or authority hereunder;
- (e) it agrees to do all such acts and things as shall be necessary and execute and deliver any additional documents deemed by the Offeror to be desirable, in each case to complete the transfer of the relevant Notes to the Offeror or its nominee against payment to it of the relevant Purchase Price and/or to perfect any of the authorities expressed to be given hereunder;

- (f) it has observed the laws of all relevant jurisdictions; obtained all requisite governmental, exchange control or other required consents; complied with all requisite formalities; and paid any issue, transfer or other taxes or requisite payments due from it in each respect in connection with any offer, tender or acceptance in any jurisdiction and it has not taken or omitted to take any action in breach of the terms of the Offers or which will or may result in the Offeror, the Joint Dealer Managers, the Tender Agent, the Information Agent or any other person acting in breach of the legal or regulatory requirements of any such jurisdiction in connection with the Offers;
- (g) all authority conferred or agreed to be conferred pursuant to its acknowledgements, agreements, representations, warranties and undertakings, and all of its obligations shall be binding upon its successors, assigns, heirs, executors, trustees in bankruptcy and legal representatives, and shall not be affected by, and shall survive, its death or incapacity;
- (h) none of the Offeror, the Joint Dealer Managers, the Tender Agent or the Information Agent (or any of their respective directors, officers, employees, agents or affiliates) has given it any information with respect to the Offers save as expressly set out in this Tender Offer Memorandum nor has any of them made any recommendation to it as to whether it should tender Notes in the Offers and it has made its own decision with regard to tendering Notes in the Offers based on any legal, tax or financial advice it has deemed necessary to seek and it is able to bear the economic risks of participating in the Offers;
- (i) no information has been provided to it by the Offeror, the Joint Dealer Managers, the Tender Agent or the Information Agent (or any of their respective directors, officers, employees, agents or affiliates), with regard to the tax consequences for Holders of Notes arising from the tender of Notes in the Offers and the receipt of the relevant Purchase Price, and it acknowledges that it is solely liable for any taxes and similar or related payments imposed on it under the laws of any applicable jurisdiction in connection with the Offers (including the receipt pursuant to the Offers of the relevant Purchase Price) and agrees that it will not and does not have any right of recourse (whether by way of reimbursement, indemnity or otherwise) against the Offeror, the Joint Dealer Managers, the Tender Agent or the Information Agent (or any of their respective directors, officers, employees, agents or affiliates), or any other person in respect of such taxes and payments;
- (j) it is not a person to whom it is unlawful to make an invitation pursuant to the Offers under applicable securities laws, it has not distributed or forwarded this Tender Offer Memorandum or any other documents or materials relating to the Offers to any such person(s) and it has (before submitting, or arranging for the submission on its behalf, as the case may be, of the Confirmation of Acceptance and Settlement Instruction in respect of the Notes it is tendering for purchase) complied with all laws and regulations applicable to it for the purposes of its participation in the Offers;
- (k) it is not located or resident in the United Kingdom or, if it is located or resident in the United Kingdom, (i) if it were a client of the Offeror, it would be eligible to be categorised (pursuant to the FCA's rules) as a *per se* professional client or a *per se* eligible counterparty and not a retail client (but it acknowledges that it will not be treated as a client of the Offeror by virtue of its participation in the Offer); and (ii) it is a person falling within the definition of investment professionals (as defined in Article 19(5) of the Financial Promotion Order) or within Article 43 of the Financial Promotion Order, or to whom this Tender Offer Memorandum and any other documents or materials relating to the Offers may otherwise lawfully be communicated in accordance with the Financial Promotion Order;
- (l) it acknowledges and has observed the restrictions contained in "*Offer and Distribution Restrictions*";
- (m) either (a) (i) it is the beneficial owner of the Notes being tendered in the Offers and (ii) it did not receive in the United States a copy of this Tender Offer Memorandum or any other document or information related to the Offers and did not send any such document or information into the United States, (iii) it

has not used, directly or indirectly, the mails of, or a means of communication or other means or instrumentality of commerce or the facilities of a United States securities exchange in relation to the Offer, and (iv) it is located and resident outside the United States and it is participating in the Offers from outside the United States and has executed, mailed and/or sent the tender instruction from outside the United States or (b) (i) it is acting on behalf of the beneficial owner of the Notes being tendered in the Offers on a non-discretionary basis and has been duly authorised to so act (ii) such beneficial owner has confirmed to it and has authorised it to represent that such beneficial owner did not receive in the United States a copy of this Tender Offer Memorandum or any other document or information related to the Offer and that it did not send any such document or information into the United States, such beneficial owner has not used, directly or indirectly, the mails of, or a means of communication or other means or instrumentality of commerce or the facilities of a United States securities exchange in relation to the Offer and (iii) such beneficial owner has confirmed to it that it is located and resident outside the United States and it is participating in the Offers from outside the United States;

- (n) it is not a Sanctions Restricted Person;
- (o) it has full power and authority to tender, sell, assign and transfer the Notes it has tendered in the Offers pursuant to the tender instruction and, if such Notes are accepted for purchase by the Offeror pursuant to the Offer, such Notes will be transferred to, or to the order of, the Offeror with full title free from all liens, charges and encumbrances, not subject to any adverse claim and together with all rights attached thereto, and it will, upon request, execute and deliver any additional documents and/or do such other things deemed by the Offeror to be necessary or desirable to complete the transfer and cancellation of such Notes or to evidence such power and authority;
- (p) in respect of its Notes which it has tendered in the Offers and which are accepted on the terms of the Offers, it (a) releases, to the fullest extent permitted by law, the Offeror, the Joint Dealer Managers, the Tender Agent, the Information Agent and their respective financial and legal advisers (together in each case with their respective members, representatives, directors, officers, employees, agents or affiliates) from any liabilities in relation to or arising in connection with the preparation, negotiation or implementation of the Offers or any part thereof, (b) waives, to the fullest extent permitted by law, all rights and entitlement it may otherwise have or acquire to bring, participate in or enforce legal proceedings of any nature against the Offeror, the Joint Dealer Managers, the Tender Agent, the Information Agent and/or their respective financial and legal advisers (together in each case with their respective members, representatives, directors, officers, employees, agents or affiliates) in connection with the Offers and/or its Notes and (c) waives, to the fullest extent permitted by law, all its rights, title and interest to and claims in respect of such Notes;
- (q) it holds and will hold, until the time of settlement on the Settlement Date, the relevant Notes in (or through) the Austraclear System and, in accordance with the requirements of, and by the deadline required by, the Austraclear System, it has submitted, or has caused to be submitted, a settlement instruction to the Austraclear System to place the Notes offered for purchase by the Offeror on a matched status with effect on and from the date of such submission. Upon submitting a Confirmation of Acceptance and Settlement Instruction, it also irrevocably undertakes to instruct an Austraclear Transfer to the Designated Austraclear Account to settle prior to the Austraclear Transfer Deadline (as such terms are understood for the purposes of the Austraclear Regulations) such that from the time of such instruction until the time of settlement on the Settlement Date it will not transfer, sell or otherwise deal with the Notes, except as set out in this Tender Offer Memorandum;
- (r) the terms and conditions of the relevant Offer(s) shall be deemed to be incorporated in, and form a part of, the tender instruction which shall be read and construed accordingly, and that the information given

by or on behalf of such Holder in the tender instruction is true and will be true in all respects at the time of purchase on the Settlement Date;

- (s) it accepts that the Offeror is under no obligation to accept for purchase Notes tendered pursuant to the relevant Offer, and accordingly such tender may be accepted or rejected by the Offeror in its sole and absolute discretion and for any reason;
- (t) it understands that the Offeror's acceptance for purchase of Notes tendered pursuant to the procedures described in this Tender Offer Memorandum will constitute a binding agreement between such Holder and the Offeror in accordance with the terms and subject to the conditions of the Offers;
- (u) it understands that validly tendered Notes (or defectively tendered Notes with respect to which the Offeror has waived, or has caused to be waived, such defect) will be deemed to have been accepted by the Offeror if, as and when the Offeror gives oral or written notice thereof to the Tender Agent;
- (v) the information given by or on behalf of such Holder in the tender instruction is true and will be true in all respects at the time of the purchase of the Notes on the Settlement Date; and
- (w) it acknowledges that the Offeror, the Joint Dealer Managers, the Tender Agent and the Information Agent (and their respective directors, officers, employees, agents and affiliates) will rely on the truth and accuracy of the foregoing acknowledgements, agreements, representations, warranties and undertakings and it shall indemnify the Offeror, the Joint Dealer Managers, the Tender Agent and the Information Agent against all and any losses, costs, claims, liabilities, expenses, charges, actions or demands which any of them may incur or which may be made against any of them as a result of any breach of any of the terms of, or any of the agreements, representations, warranties and/or undertakings given in connection with the Offers (including any acceptance thereof) by any such Holder.

The receipt from a Holder or from an Intermediary on behalf of a Holder, in each case, of a Confirmation of Acceptance and Settlement Instruction in accordance with the terms of the Offer will constitute instructions to debit the Relevant Notes in the Designated Austraclear Account on the Settlement Date in respect of all of the Relevant Notes the relevant Holder has tendered in the Offers and which are accepted for purchase by the Offeror, upon receipt by the Tender Agent of an instruction from the Offeror to (i) receive or transfer such Relevant Notes for the account of the Offeror against payment by, or on behalf of, the Offeror of the relevant Purchase Price and (ii) forthwith upon the successful completion of (i), to credit the relevant Purchase Price to the account of the relevant Holder or Intermediary, subject to the automatic revocation of those instructions in the event that the Offer is terminated or withdrawn by the Offeror or the withdrawal of such Confirmation of Acceptance and Settlement Instruction (in the limited circumstances in which such withdrawal is permitted) in accordance with the procedure set out in this Tender Offer Memorandum.

TAX CONSEQUENCES

This Tender Offer Memorandum does not discuss the tax consequences to Holders of the purchase of Notes by the Offeror pursuant to the Offers. Holders should consult their own professional advisers regarding the possible tax consequences under the laws of any jurisdictions that apply to them or to the sale of their Notes and their receipt of the Purchase Price. Holders are liable for their own taxes and similar or related payments imposed on them under the laws of any applicable jurisdiction, and have no recourse to the Offeror, the Joint Dealer Managers, the Tender Agent or the Information Agent with respect to such taxes arising in connection with the Offers.

DIRECTORY

OFFEROR

Lloyds Bank plc
10 Gresham Street
London EC2V 7AE
United Kingdom

JOINT DEALER MANAGERS

Citigroup Global Markets Limited

Citigroup Centre
Canada Square
Canary Wharf
London E14 5LB
United Kingdom

Tel (Australia): +61 2 8225 6121
Tel (UK): + 44 (0) 20 7986 8969
Attention: Liability Management Group
Email: liabilitymanagement.europe@citi.com

Nomura International plc

1 Angel Lane
London
EC4R 3AB
United Kingdom

Tel (Singapore): +65 6433 6539
Tel (UK): + 44 (0) 20 7103 6597
Attention: Liability Management
Email: liability.management@nomura.com

TENDER AGENT

BTA Institutional Services Australia Limited

Level 2
1 Bligh Street
Sydney NSW 2000
Australia

Tel: +61 2 9260 6000
Fax: +61 2 9260 6009
Attention: Global Client Services
Email: BNYM_CT_Aus_RMG@bnymellon.com; Geraldine.Fernandez@BNYMellon.com

INFORMATION AGENT

Lucid Issuer Services Limited

Tankerton Works
12 Argyle Walk
London WC1H 8HA
United Kingdom

Tel: +44 20 7704 0880
Attention: Arlind Bytyqi
Email: lloydsbank@lucid-is.com

**ANNEXURE A
FORM OF CONFIRMATION OF ACCEPTANCE AND SETTLEMENT INSTRUCTION**

PART I

**Conditional offer by the Offeror to purchase any or some
A\$250,000,000 1.65 per cent. Fixed Rate Notes due 12 August 2022
(ISIN: AU3CB0265627)
("August 2022 FXD Notes")**

Terms used but not defined in this Confirmation of Acceptance and Settlement Instruction have the meanings given to them in the Tender Offer Memorandum dated 12 May 2020 (the "Tender Offer Memorandum")

***IMPORTANT NOTICE: this Confirmation of Acceptance and Settlement Instruction must be delivered so that it is received by the Tender Agent by no later than 5.00 p.m. Sydney time on 26 May 2020 (the "Expiration Time").
If any Intermediary is holding the August 2022 FXD Notes on behalf of a Holder, the Holder must instruct and procure that its Intermediary who is an Austraclear Participant completes and delivers this confirmation to the attention of "Lloyds Buyback Tender Agent" by no later than the Expiration Time.***

| If the Holder is an Austraclear System Direct Participant and holds the August 2022 FXD Notes in its account in the Austraclear System, complete this table. | | |
|--|--|--|
| Name of Holder | | |
| ABN of Holder | | |
| Austraclear Participant Code to be used for Settlement | | |
| Amount of August 2022 FXD Notes | | |
| Contact Details of Holder | Contact Person | |
| | Email address | |
| | Phone | |
| | Fax | |
| | Address | |
| 1 | As at the date of this Confirmation of Acceptance and Settlement Instruction, I confirm that I am an Austraclear System Direct Participant (as defined in the Austraclear Regulations) for the August 2022 FXD Notes in an outstanding principal amount recorded in this Confirmation of Acceptance and Settlement Instruction that I hereby agree to sell (" Sale Notes ") in accordance with the terms and conditions of the Offer as set out in the Tender Offer Memorandum (" Terms of the Offer "). | |

| | |
|--|--|
| 2 | <p>I have not sold, transferred or otherwise disposed of any of the Sale Notes and, pursuant to the Terms of the Offer, and in accordance with the Austraclear Regulations, I hereby undertake to:</p> <p>(a) submit such Sales Notes in the Austraclear System in a matched status no later than 12.00 noon (Sydney time) on 2 June 2020 (the “Match Time”); and</p> <p>(b) transfer such Sale Notes to the Designated Austraclear Account of the Tender Agent (Mnemonic CMFS20) against receipt of the Purchase Price on the Settlement Date (being 3 June 2020) (the “Austraclear Transfer Deadline”).</p> <p>This undertaking is irrevocable (except in the limited circumstances permitted in accordance with the Terms of the Offer).</p> |
| 3 | <p>I will complete and deliver to the attention of “Lloyds Buyback Tender Agent” at the contact details of the Tender Agent noted below this notice in respect of the August 2022 FXD Notes before the Expiration Time.</p> |
| 4 | <p>I confirm that I have read, understood and irrevocably agree with the Terms of the Offer and, in coming to my decision to participate in the Offer, I have considered my own individual circumstances and consulted with my own professional advisers as necessary. In particular, I confirm that, upon delivery of this Confirmation of Acceptance and Settlement Instruction to the Tender Agent at the contact details noted below, my acceptance is irrevocable (except in the limited circumstances permitted in accordance with the Terms of the Offer).</p> |
| 5 | <p>I acknowledge and agree that none of the Tender Agent, the Information Agent nor any Joint Dealer Manager has been appointed, and nor are they acting, as underwriter in connection with the Offer and none of them has any obligation to purchase the Sale Notes should the Offer not proceed for any reason.</p> |
| 6 | <p>I acknowledge and agree that (i) on the Settlement Date, the Tender Agent, on behalf of the Offeror, will settle the Relevant Notes which are August 2022 FXD Notes with the relevant Holders in multiple settlement transactions and (ii) the Tender Agent may, after consultation with the Offeror where practicable, elect to postpone or not proceed with a settlement transaction if any earlier settlement transaction fails to complete.</p> |
| 7 | <p>I agree to do anything necessary to give effect to my acceptance of the Offer in respect of the Sale Notes, including submitting the Sale Notes in the Austraclear System in a matched status no later than the Match Time and transferring the Sale Notes to the Designated Austraclear Account by no later than the Austraclear Transfer Deadline as set out above and on the Terms of the Offer and in accordance with the Austraclear Regulations.</p> |
| 8 | <p>I agree that I will not transfer, sell or otherwise deal with the Sale Notes to be transferred to the Designated Austraclear Account from the date of this Confirmation of Acceptance and Settlement Instruction until the earliest of (i) the time of settlement on the Settlement Date, (ii) the date of any termination or withdrawal of the Offer (including where such Sale Notes are not accepted for exchange) and (iii) the date on which this Confirmation of Acceptance and Settlement Instruction is validly revoked (in the limited circumstances permitted in accordance with the Terms of the Offer), otherwise than in connection with the delivery of the Sale Notes to the Designated Austraclear Account and settlement of the Offer.</p> |
| <p>Austraclear Participants are requested to:</p> <ul style="list-style-type: none"> • sign and date the execution clause set out below or if the appropriate execution clause is not set out below, insert the appropriate execution clause and sign and date it accordingly; and • deliver any power of attorney or other authority under which this document is signed. | |
| Signature | |

| | |
|-------|--|
| Name | |
| Title | |
| Date | |

If the August 2022 FXD Notes are held by an Intermediary on behalf of the Holder in the Austraclear System, complete this table.

| | |
|---|--|
| Name of Intermediary | |
| ABN of Intermediary | |
| Austraclear Participant Code to be used for Settlement | |
| Amount of August 2022 FXD Notes | |

| | |
|--|--|
| Name / identity of Beneficial Owners and amounts tendered | |
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|--|----------------|--|
| Contact Details of Intermediary | Contact Person | |
| | Email address | |
| | Phone | |
| | Fax | |
| | Address | |

| | |
|---|--|
| 1 | As at the date of this Confirmation of Acceptance and Settlement Instruction, I confirm that I am a Holder of the August 2022 FXD Notes in an outstanding principal amount recorded in this Confirmation of Acceptance and |
|---|--|

| | |
|---|---|
| | Settlement Instruction that I hereby agree to sell (“ Sale Notes ”) in accordance with the terms and conditions of the Offer as set out in the Tender Offer Memorandum (“ Terms of the Offer ”). |
| 2 | <p>I have not sold, transferred or otherwise disposed of any of the Sale Notes and, pursuant to the Terms of the Offer, and in accordance with the Austraclear Regulations, I hereby undertake to instruct and procure my Intermediary to:</p> <p>(a) submit such Sales Notes in the Austraclear System in a matched status no later than 12.00 noon (Sydney time) on 2 June 2020 (the “Match Time”); and</p> <p>(b) transfer such Sale Notes to the Designated Austraclear Account of the Tender Agent (Mnemonic CMFS20) against receipt of the Purchase Price on the Settlement Date (being 3 June 2020) (the “Austraclear Transfer Deadline”).</p> <p>This undertaking is irrevocable (except in the limited circumstances permitted in accordance with the Terms of the Offer).</p> |
| 3 | I will instruct and procure my Intermediary to complete and deliver to the attention of “Lloyds Buyback Tender Agent” at the Tender Agent’s contact details noted below this notice in respect of the August 2022 FXD Notes before the Expiration Time. In addition, I acknowledge and consent to my Intermediary disclosing my name and the outstanding principal amount of the Sale Notes in the Confirmation of Acceptance and Settlement Instruction. |
| 4 | I confirm that I have read, understood and irrevocably agree with the Terms of the Offer and, in coming to my decision to participate in the Offer, I have considered my own individual circumstances and consulted with my own professional advisers as necessary. In particular, I confirm that, upon delivery of this Confirmation of Acceptance and Settlement Instruction to the Tender Agent at the contact details noted below, my acceptance is irrevocable (except in the limited circumstances permitted in accordance with the Terms of the Offer). |
| 5 | I acknowledge and agree that none of the Tender Agent, the Information Agent or any Joint Dealer Manager has been appointed, and nor are they acting, as underwriter in connection with the Offer and none of them has any obligation to purchase the Sale Notes should the Offer not proceed for any reason. |
| 6 | I acknowledge and agree that (i) on the Settlement Date, the Tender Agent, on behalf of the Offeror, will settle the Relevant Notes which are August 2022 FXD Notes with the relevant Holders in multiple settlement transactions and (ii) the Tender Agent may, after consultation with the Offeror where practicable, elect to postpone or not proceed with a settlement transaction if any earlier settlement transaction fails to complete. |
| 7 | I agree to do anything necessary to give effect to my acceptance of the Offer in respect of the Sale Notes, including submitting the Sale Notes in the Austraclear System in a matched status no later than the Match Time and transferring the Sale Notes to the Designated Austraclear Account by no later than the Austraclear Transfer Deadline as set out above and on the Terms of the Offer and in accordance with the Austraclear Regulations. |
| 8 | I agree that I will not transfer, sell or otherwise deal with the Sale Notes to be transferred to the Designated Austraclear Account from the date of this Confirmation of Acceptance and Settlement Instruction until the earliest of (i) the time of settlement on the Settlement Date, (ii) the date of any termination or withdrawal of the Offer (including where such Sale Notes are not accepted for exchange) and (iii) the date on which this Confirmation of Acceptance and Settlement Instruction is validly revoked (in the limited circumstances permitted in accordance with the Terms of the Offer), otherwise than in connection with the delivery of the Sale Notes to the Designated Austraclear Account and settlement of the Offer. |

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| Austraclear Participants are requested to: | |
| <ul style="list-style-type: none"> • sign and date the execution clause set out below or if the appropriate execution clause is not set out below, insert the appropriate execution clause and sign and date it accordingly; and • deliver any power of attorney or other authority under which this document is signed. | |
| Signature | |
| Name | |
| Title | |
| Date | |

IMPORTANT NOTICE REGARDING DELIVERY

So that it is *received* by the Tender Agent by no later than the Expiration Time, *deliver* this Confirmation of Acceptance and Settlement Instruction to the attention of “Lloyds Buyback Tender Agent” at the following details:

| Tender Agent’s contact details | |
|---------------------------------------|---|
| Attention: | Lloyds Buyback Tender Agent Geraldine Fernandez |
| Email: | mailto: BNYM_CT_Aus_RMG@bnymellon.com; Geraldine.Fernandez@BNYMellon.com |
| Fax: | +61 2 9260 6000 |
| Tel: | +61 2 9260 6009 |
| Address: | Level 2 1 Bligh Street Sydney NSW 2000 Australia |

All emails attaching the Confirmation of Acceptance and Settlement Instruction **must** state “**Lloyds Buyback Tender Agent**” in its **subject line**.

IMPORTANT NOTICE TO INTERMEDIARIES: YOU CAN ONLY SUBMIT A SINGLE CONFIRMATION OF ACCEPTANCE AND SETTLEMENT INSTRUCTION. DO NOT COMPLETE A SEPARATE CONFIRMATION OF ACCEPTANCE AND SETTLEMENT INSTRUCTION FOR EACH BENEFICIAL OWNER. HOWEVER, YOU MUST LIST HOLDINGS OF EACH BENEFICIAL OWNER IN THE TABLE ABOVE.

**ANNEXURE A
FORM OF CONFIRMATION OF ACCEPTANCE AND SETTLEMENT INSTRUCTION**

PART II

**Conditional offer by the Offeror to purchase any or some
A\$450,000,000 Floating Rate Notes due 12 August 2022
(ISIN: AU3FN0049383)
("August 2022 Floating Rate Notes")**

Terms used but not defined in this Confirmation of Acceptance and Settlement Instruction have the meanings given to them in the Tender Offer Memorandum dated 12 May 2020 (the "Tender Offer Memorandum")

IMPORTANT NOTICE: this Confirmation of Acceptance and Settlement Instruction must be delivered so that it is received by the Tender Agent by no later than 5.00 p.m. Sydney time on 26 May 2020 (the "Expiration Time").

If any Intermediary is holding the August 2022 Floating Rate Notes on behalf of a Holder, the Holder must instruct and procure that its Intermediary who is an Austraclear Participant completes and delivers this confirmation to the attention of "Lloyds Buyback Tender Agent" by no later than the Expiration Time.

| If the Holder is an Austraclear System Direct Participant and holds the August 2022 Floating Rate Notes in its account in the Austraclear System, complete this table. | | |
|--|---|--|
| Name of Holder | | |
| ABN of Holder | | |
| Austraclear Participant Code to be used for settlement | | |
| Amount of August 2022 Floating Rate Notes | | |
| Contact Details of Holder | Contact Person | |
| | Email address | |
| | Phone | |
| | Fax | |
| | Address | |
| 1 | As at the date of this Confirmation of Acceptance and Settlement Instruction I confirm that I am an Austraclear System Direct Participant (as defined in the Austraclear Regulations) for the August 2022 Floating Rate Notes in an outstanding principal amount recorded in this Confirmation of Acceptance and Settlement Instruction that I hereby agree to sell (" Sale Notes ") in accordance with the terms and conditions of the Offer as set out in the Tender Offer Memorandum (" Terms of the Offer "). | |

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| 2 | <p>I have not sold, transferred or otherwise disposed of any of the Sale Notes and, pursuant to the Terms of the Offer, and in accordance with the Austraclear Regulations, I hereby undertake to:</p> <p>(a) submit such Sales Notes in the Austraclear System in a matched status no later than 12.00 noon (Sydney time) on 2 June 2020 (the “Match Time”); and</p> <p>(b) transfer such Sale Notes to the Designated Austraclear Account of the Tender Agent (Mnemonic CMFS20) against receipt of the Purchase Price on the Settlement Date (being 3 June 2020) (the “Austraclear Transfer Deadline”).</p> <p>This undertaking is irrevocable (except in the limited circumstances permitted in accordance with the Terms of the Offer).</p> |
| 3 | <p>I will complete and deliver to the attention of “Lloyds Buyback Tender Agent” at the contact details of the Tender Agent noted below this notice in respect of the August 2022 Floating Rate Notes before the Expiration Time.</p> |
| 4 | <p>I confirm that I have read, understood and irrevocably agree with the Terms of the Offer and, in coming to my decision to participate in the Offer, I have considered my own individual circumstances and consulted with my own professional advisers as necessary. In particular, I confirm that, upon delivery of this Confirmation of Acceptance and Settlement Instruction to the Tender Agent at the contact details noted below, my participation is irrevocable (except in the limited circumstances permitted in accordance with the Terms of the Offer).</p> |
| 5 | <p>I acknowledge and agree that none of the Tender Agent, Information Agent or any Joint Dealer Manager has been appointed, and nor are they acting, as underwriter in connection with the Offer and none of them has any obligation to purchase the Sale Notes should the Offer not proceed for any reason.</p> |
| 6 | <p>I acknowledge and agree that (i) on the Settlement Date, the Tender Agent, on behalf of the Offeror, will settle the Relevant Notes which are August 2022 Floating Rate Notes with the relevant Holders in multiple settlement transactions and (ii) the Tender Agent may, after consultation with the Offeror where practicable, elect to postpone or not proceed with a settlement transaction if any earlier settlement transaction fails to complete.</p> |
| 7 | <p>I agree to do anything necessary to give effect to my acceptance of the Offer in respect of the Sale Notes, including submitting the Sale Notes in the Austraclear System in a matched status no later than the Match Time and transferring the Sale Notes to the Designated Austraclear Account by no later than the Austraclear Transfer Deadline as set out above and on the Terms of the Offer and in accordance with the Austraclear Regulations.</p> |
| 8 | <p>I agree that I will not transfer, sell or otherwise deal with the Sale Notes to be transferred to the Designated Austraclear Account from the date of this Confirmation of Acceptance and Settlement Instruction until the earliest of (i) the time of settlement on the Settlement Date, (ii) the date of any termination or withdrawal of the Offer (including where such Sale Notes are not accepted for exchange) and (iii) the date on which this Confirmation of Acceptance and Settlement Instruction is validly revoked (in the limited circumstances permitted in accordance with the Terms of the Offer), otherwise than in connection with the delivery of the Sale Notes to the Designated Austraclear Account and settlement of the Offer.</p> |
| <p>Austraclear Participants are requested to:</p> <ul style="list-style-type: none"> • sign and date the execution clause set out below or if the appropriate execution clause is not set out below, insert the appropriate execution clause and sign and date it accordingly; and • deliver any power of attorney or other authority under which this document is signed. | |
| Signature | |

| | |
|-------|--|
| Name | |
| Title | |
| Date | |

If the August 2022 Floating Rate Notes are held by an Intermediary on behalf of the Holder in the Austraclear System, complete this table.

| | |
|---|--|
| Name of Intermediary | |
| ABN of Intermediary | |
| Austraclear Participant Code to be used for settlement | |
| Amount of August 2022 Floating Rate Notes | |

| | |
|--|--|
| Name / identity of Beneficial Owners and amounts tendered | |
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|--|----------------|--|
| Contact Details of Intermediary | Contact Person | |
| | Email address | |
| | Phone | |
| | Fax | |
| | Address | |

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|---|---|
| 1 | As at the date of this Confirmation of Acceptance and Settlement Instruction, I confirm that I am a Holder of the August 2022 Floating Rate Notes in an outstanding principal amount recorded in this Confirmation of Acceptance and Settlement Instruction that I hereby agree to sell (“ Sale Notes ”) in accordance with the terms and conditions of the Offer as set out in the Tender Offer Memorandum (“ Terms of the Offer ”). |
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|---|---|
| 2 | <p>I have not sold, transferred or otherwise disposed of any of the Sale Notes and, pursuant to the Terms of the Offer, and in accordance with the Austraclear Regulations, I hereby undertake to instruct and procure my Intermediary to:</p> <p>(a) submit such Sales Notes in the Austraclear System in a matched status no later than 12.00 noon (Sydney time) on 2 June 2020 (the “Match Time”); and</p> <p>(b) transfer such Sale Notes to the Designated Austraclear Account of the Tender Agent (Mnemonic CMFS20) against receipt of the Purchase Price on the Settlement Date (being 3 June 2020) (the “Austraclear Transfer Deadline”).</p> <p>This undertaking is irrevocable (except in the limited circumstances permitted in accordance with the Terms of the Offer).</p> |
| 3 | <p>I will instruct and procure my Intermediary to complete and deliver to the attention of “Lloyds Buyback Tender Agent” at the Tender Agent’s contact details noted below this notice in respect of the August 2022 Floating Rate Notes before the Expiration Time. In addition, I acknowledge and consent to my Intermediary disclosing my name and the outstanding principal amount of the Sale Notes in the Confirmation of Acceptance and Settlement Instruction.</p> |
| 4 | <p>I confirm that I have read, understood and irrevocably agree with the Terms of the Offer and, in coming to my decision to participate in the Offer, I have considered my own individual circumstances and consulted with my own professional advisers as necessary. In particular, I confirm that, upon delivery of this Confirmation of Acceptance and Settlement Instruction to the Tender Agent at the contact details noted below, my participation is irrevocable (except in the limited circumstances permitted in accordance with the Terms of the Offer).</p> |
| 5 | <p>I acknowledge and agree that none of the Tender Agent, Information Agent or any Joint Dealer Manager has been appointed, and nor are they acting, as underwriters in connection with the Offer and none of them has any obligation to purchase the Sale Notes should the Offer not proceed for any reason.</p> |
| 6 | <p>I acknowledge and agree that (i) on the Settlement Date, the Tender Agent, on behalf of the Offeror, will settle the Relevant Notes which are August 2022 Floating Rate Notes with the relevant Holders in multiple settlement transactions and (ii) the Tender Agent may, after consultation with the Offeror where practicable, elect to postpone or not proceed with a settlement transaction if any earlier settlement transaction fails to complete.</p> |
| 7 | <p>I agree to do anything necessary to give effect to my acceptance of the Offer in respect of the Sale Notes, including submitting the Sale Notes in the Austraclear System in a matched status no later than the Match Time and transferring the Sale Notes to the Designated Austraclear Account by no later than the Austraclear Transfer Deadline as set out above and on the Terms of the Offer and in accordance with the Austraclear Regulations.</p> |
| 8 | <p>I agree that I will not transfer, sell or otherwise deal with the Sale Notes to be transferred to the Designated Austraclear Account from the date of this Confirmation of Acceptance and Settlement Instruction until the earliest of (i) the time of settlement on the Settlement Date, (ii) the date of any termination or withdrawal of the Offer (including where such Sale Notes are not accepted for exchange) and (iii) the date on which this Confirmation of Acceptance and Settlement Instruction is validly revoked (in the limited circumstances permitted in accordance with the Terms of the Offer), otherwise than in connection with the delivery of the Sale Notes to the Designated Austraclear Account and settlement of the Offer.</p> |

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|--|--|
| <p>Austraclear Participants are requested to:</p> <ul style="list-style-type: none"> sign and date the execution clause set out below or if the appropriate execution clause is not set out below, insert the appropriate execution clause and sign and date it accordingly; and <p>deliver any power of attorney or other authority under which this document is signed.</p> | |
| Signature | |
| Name | |
| Title | |
| Date | |

IMPORTANT NOTICE REGARDING DELIVERY

So that it is *received* by the Tender Agent by no later than the Expiration Time, *deliver* this Confirmation of Acceptance and Settlement Instruction to the attention of “Lloyds Buyback Tender Agent” at the following details:

Acceptance to the attention of “Lloyds Buyback Tender Agent” at the following details:

| Tender Agent’s contact details | |
|---------------------------------------|---|
| Attention: | Lloyds Buyback Tender Agent Geraldine Fernandez |
| Email: | mailto: BNYM_CT_Aus_RMG@bnymellon.com ; Geraldine.Fernandez@BNYMellon.com |
| Fax: | +61 2 9260 6009 |
| Tel: | +61 2 9260 6000 |
| Address: | Level 2 1 Bligh Street Sydney NSW 2000 Australia |

All emails attaching the Confirmation of Acceptance and Settlement Instruction **must** state “**Lloyds Buyback Tender Agent**” in its **subject line**.

IMPORTANT NOTICE TO INTERMEDIARIES: YOU CAN ONLY SUBMIT A SINGLE CONFIRMATION OF ACCEPTANCE AND SETTLEMENT INSTRUCTION. DO NOT COMPLETE A SEPARATE CONFIRMATION OF ACCEPTANCE AND SETTLEMENT INSTRUCTION FOR EACH BENEFICIAL OWNER. HOWEVER, YOU MUST LIST HOLDINGS OF EACH BENEFICIAL OWNER IN THE TABLE ABOVE.

**ANNEXURE A
FORM OF CONFIRMATION OF ACCEPTANCE AND SETTLEMENT INSTRUCTION**

PART III

**Conditional offer by the Offeror to purchase any or some
A\$400,000,000 4.25 per cent. Fixed Rate Notes due 28 August 2025
(ISIN: AU3CB0232346)
("August 2025 FXD Notes")**

Terms used but not defined in this Confirmation of Acceptance and Settlement Instruction have the meanings given to them in the Tender Offer Memorandum dated 12 May 2020 (the "Tender Offer Memorandum")

IMPORTANT NOTICE: *this Confirmation of Acceptance and Settlement Instruction must be delivered so that it is received by the Tender Agent by no later than 5.00 p.m. Sydney time on 26 May 2020 (the "Expiration Time").*

If any Intermediary is holding the August 2025 FXD Notes on behalf of a Holder, the Holder must instruct and procure that its Intermediary who is an Austraclear Participant completes and delivers this confirmation to the attention of "Lloyds Buyback Tender Agent" by no later than the Expiration Time.

| If the Holder is an Austraclear System Direct Participant and holds the August 2025 FXD Notes in its account in the Austraclear System, complete this table. | | |
|--|--|--|
| Name of Holder | | |
| ABN of Holder | | |
| Austraclear Participant Code to be used for Settlement | | |
| Amount of August 2025 FXD Notes | | |
| Contact Details of Holder | Contact Person | |
| | Email address | |
| | Phone | |
| | Fax | |
| | Address | |
| 1 | As at the date of this Confirmation of Acceptance and Settlement Instruction, I confirm that I am an Austraclear System Direct Participant (as defined in the Austraclear Regulations) for the August 2025 FXD Notes in an outstanding principal amount recorded in this Confirmation of Acceptance and Settlement Instruction that I hereby | |

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| | agree to sell (“ Sale Notes ”) in accordance with the terms and conditions of the Offer as set out in the Tender Offer Memorandum (“ Terms of the Offer ”). |
| 2 | <p>I have not sold, transferred or otherwise disposed of any of the Sale Notes and, pursuant to the Terms of the Offer, and in accordance with the Austraclear Regulations, I hereby undertake to:</p> <p>(a) submit such Sales Notes in the Austraclear System in a matched status no later than 12.00 noon (Sydney time) on 2 June 2020 (the “Match Time”); and</p> <p>(b) transfer such Sale Notes to the Designated Austraclear Account of the Tender Agent (Mnemonic CMFS20) against receipt of the Purchase Price on the Settlement Date (being 3 June 2020) (the “Austraclear Transfer Deadline”).</p> <p>This undertaking is irrevocable (except in the limited circumstances permitted in accordance with the Terms of the Offer).</p> |
| 3 | I will complete and deliver to the attention of “Lloyds Buyback Tender Agent” at the contact details of the Tender Agent noted below this notice in respect of the August 2025 FXD Notes before the Expiration Time. |
| 4 | I confirm that I have read, understood and irrevocably agree with the Terms of the Offer and, in coming to my decision to participate in the Offer, I have considered my own individual circumstances and consulted with my own professional advisers as necessary. In particular, I confirm that, upon delivery of this Confirmation of Acceptance and Settlement Instruction to the Tender Agent at the contact details noted below, my acceptance is irrevocable (except in the limited circumstances permitted in accordance with the Terms of the Offer). |
| 5 | I acknowledge and agree that none of the Tender Agent, Information Agent or any Joint Dealer Manager has been appointed, and nor are they acting, as underwriter in connection with the Offer and none of them has any obligation to purchase the Sale Notes should the Offer not proceed for any reason. |
| 6 | I acknowledge and agree that (i) on the Settlement Date, the Tender Agent, on behalf of the Offeror, will settle the Relevant Notes which are August 2025 FXD Notes with the relevant Holders in multiple settlement transactions and (ii) the Tender Agent may, after consultation with the Offeror where practicable, elect to postpone or not proceed with a settlement transaction if any earlier settlement transaction fails to complete. |
| 7 | I agree to do anything necessary to give effect to my acceptance of the Offer in respect of the Sale Notes, including submitting the Sale Notes in the Austraclear System in a matched status no later than the Match Time and transferring the Sale Notes to the Designated Austraclear Account by no later than the Austraclear Transfer Deadline as set out above and on the Terms of the Offer and in accordance with the Austraclear Regulations. |
| 8 | I agree that I will not transfer, sell or otherwise deal with the Sale Notes to be transferred to the Designated Austraclear Account from the date of this Confirmation of Acceptance and Settlement Instruction until the earliest of (i) the time of settlement on the Settlement Date, (ii) the date of any termination or withdrawal of the Offer (including where such Sale Notes are not accepted for exchange) and (iii) the date on which this Confirmation of Acceptance and Settlement Instruction is validly revoked (in the limited circumstances permitted in accordance with the Terms of the Offer), otherwise than in connection with the delivery of the Sale Notes to the Designated Austraclear Account and settlement of the Offer. |

Austraclear Participants are requested to:

- sign and date the execution clause set out below or if the appropriate execution clause is not set out below, insert the appropriate execution clause and sign and date it accordingly; and
- deliver any power of attorney or other authority under which this document is signed.

| | |
|-----------|--|
| Signature | |
| Name | |
| Title | |
| Date | |

If the August 2025 FXD Notes are held by an Intermediary on behalf of the Holder in the Austraclear System, complete this table.

| | | |
|--|----------------|--|
| Name of Intermediary | | |
| ABN of Intermediary | | |
| Austraclear Participant Code to be used for Settlement | | |
| Amount of August 2025 FXD Notes | | |
| Name / identity of Beneficial Owners and amounts tendered | | |
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| | | |
| Contact Details of Intermediary | Contact Person | |
| | Email address | |
| | Phone | |
| | Fax | |
| | Address | |

| | |
|---|---|
| 1 | As at the date of this Confirmation of Acceptance and Settlement Instruction, I confirm that I am a Holder of the August 2025 FXD Notes in an outstanding principal amount recorded in this Confirmation of Acceptance and Settlement Instruction that I hereby agree to sell (“ Sale Notes ”) in accordance with the terms and conditions of the Offer as set out in the Tender Offer Memorandum (“ Terms of the Offer ”). |
| 2 | <p>I have not sold, transferred or otherwise disposed of any of the Sale Notes and, pursuant to the Terms of the Offer, and in accordance with the Austraclear Regulations, I hereby undertake to instruct and procure my Intermediary to:</p> <p>(a) submit such Sales Notes in the Austraclear System in a matched status no later than 12.00 noon (Sydney time) on 2 June 2020 (the “Match Time”); and</p> <p>(b) transfer such Sale Notes to the Designated Austraclear Account of the Tender Agent (Mnemonic CMFS20) against receipt of the Purchase Price on the Settlement Date (being 3 June 2020) (the “Austraclear Transfer Deadline”).</p> <p>This undertaking is irrevocable (except in the limited circumstances permitted in accordance with the Terms of the Offer).</p> |
| 3 | I will instruct and procure my Intermediary to complete and deliver to the attention of “Lloyds Buyback Tender Agent” at the Tender Agent’s contact details noted below this notice in respect of the August FXD Notes before the Expiration Time. In addition, I acknowledge and consent to my Intermediary disclosing my name and the outstanding principal amount of the Sale Notes in the Confirmation of Acceptance and Settlement Instruction. |
| 4 | I confirm that I have read, understood and irrevocably agree with the Terms of the Offer and, in coming to my decision to participate in the Offer, I have considered my own individual circumstances and consulted with my own professional advisers as necessary. In particular, I confirm that, upon delivery of this Confirmation of Acceptance and Settlement Instruction to the Tender Agent at the contact details noted below, my acceptance is irrevocable (except in the limited circumstances permitted in accordance with the Terms of the Offer). |
| 5 | I acknowledge and agree that the none of the Tender Agent, Information Agent or any Joint Dealer Manager has been appointed, and nor are they acting, as underwriter in connection with the Offer and none of them has any obligation to purchase the Sale Notes should the Offer not proceed for any reason. |
| 6 | I acknowledge and agree that (i) on the Settlement Date, the Tender Agent, on behalf of the Offeror, will settle the Relevant Notes which are August 2025 FXD Notes with the relevant Holders in multiple settlement transactions and (ii) the Tender Agent may, after consultation with the Offeror where practicable, elect to postpone or not proceed with a settlement transaction if any earlier settlement transaction fails to complete. |
| 7 | I agree to do anything necessary to give effect to my acceptance of the Offer in respect of the Sale Notes, including submitting the Sale Notes in the Austraclear System in a matched status no later than the Match Time and transferring the Sale Notes to the Designated Austraclear Account by no later than the Austraclear Transfer Deadline as set out above and on the Terms of the Offer and in accordance with the Austraclear Regulations. |
| 8 | I agree that I will not transfer, sell or otherwise deal with the Sale Notes to be transferred to the Designated Austraclear Account from the date of this Confirmation of Acceptance and Settlement Instruction until the earliest of (i) the time of settlement on the Settlement Date, (ii) the date of any termination or withdrawal of the Offer (including where such Sale Notes are not accepted for exchange) and (iii) the date on which this Confirmation of Acceptance and Settlement Instruction is validly revoked (in the limited circumstances permitted in accordance with the Terms of the Offer), otherwise than in connection with the delivery of the Sale Notes to the Designated Austraclear Account and settlement of the Offer. |

| | |
|--|--|
| Austraclear Participants are requested to: | |
| <ul style="list-style-type: none"> • sign and date the execution clause set out below or if the appropriate execution clause is not set out below, insert the appropriate execution clause and sign and date it accordingly; and • deliver any power of attorney or other authority under which this document is signed. | |
| Signature | |
| Name | |
| Title | |
| Date | |

IMPORTANT NOTICE REGARDING DELIVERY

So that it is *received* by the Tender Agent by no later than the Expiration Time, *deliver* this Confirmation of Acceptance and Settlement Instruction to the attention of “Lloyds Buyback Tender Agent” at the following details:

| Tender Agent’s contact details | |
|--------------------------------|--|
| Attention: | Lloyds Buyback Tender Agent Geraldine Fernandez |
| Email: | BNYM_CT_Aus_RMG@bnymellon.com ; Geraldine.Fernandez@BNYMellon.com |
| Fax: | +61 2 9260 6009 |
| Tel: | +61 2 9260 6000 |
| Address: | Level 2 1 Bligh Street Sydney NSW 2000 Australia |

All emails attaching the Confirmation of Acceptance and Settlement Instruction **must** state “**Lloyds Buyback Tender Agent**” in its **subject line**.

IMPORTANT NOTICE TO INTERMEDIARIES: YOU CAN ONLY SUBMIT A SINGLE CONFIRMATION OF ACCEPTANCE AND SETTLEMENT INSTRUCTION. DO NOT COMPLETE A SEPARATE CONFIRMATION OF ACCEPTANCE AND SETTLEMENT INSTRUCTION FOR EACH BENEFICIAL OWNER. HOWEVER, YOU MUST LIST HOLDINGS OF EACH BENEFICIAL OWNER IN THE TABLE ABOVE.