



27150348

Final Terms dated 16 April 2010

**Lloyds TSB Bank plc (the "Bank")**

Issue of £750,000,000 7.625 per cent. Dated Subordinated Notes due 2025

under the £50,000,000,000

Euro Medium Term Note Programme

**PART A — CONTRACTUAL TERMS**

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the "**Conditions**") set forth in the Prospectus dated 4 June 2009 as supplemented by the Supplemental Prospectuses dated 12 August 2009, 11 September 2009, 24 September 2009, 13 November 2009, 4 January 2010, 5 March 2010 and 31 March 2010, which together constitute a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the "**Prospectus Directive**"). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Prospectus, as so supplemented. Full information on the Bank and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Prospectus, as supplemented. The Prospectus and the Supplemental Prospectuses are available for viewing at, and copies may be obtained from, Lloyds TSB Bank plc, 25 Gresham Street, London EC2V 7HN.

1	Issuer:	Lloyds TSB Bank plc
2	(i) Series Number:	EMTN 4032
	(ii) Tranche Number:	1
3	Specified Currency or Currencies:	Sterling ("£")
4	Aggregate Nominal Amount:	
	(i) Series:	£750,000,000
	(ii) Tranche:	£750,000,000
5	Issue Price:	99.321 per cent of the Aggregate Nominal Amount
6	(i) Specified Denominations:	£1,000
	(ii) Calculation Amount:	£1,000
7	(i) Issue Date:	20 April 2010
	(ii) Interest Commencement Date:	Issue Date
8	Maturity Date:	22 April 2025
9	Interest Basis:	7.625 per cent. per annum Fixed Rate
10	Redemption/Payment Basis:	Redemption at par
11	Change of Interest or Redemption/Payment Basis:	Not Applicable
12	Put/Call Options:	Not Applicable
13	Status of the Notes:	Dated Subordinated

PROCESSED  
20 APR 2010

14 Method of distribution: Syndicated

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

15	<b>Fixed Rate Note Provisions</b>	Applicable
	(i) Rate of Interest:	7.625 per cent. per annum payable semi-annually in arrear
	(ii) Interest Payment Dates:	22 April and 22 October in each year commencing on 22 October 2010 (the " <b>First Interest Payment Date</b> ") up to and including the Maturity Date (long first coupon)
	(iii) Fixed Coupon Amount:	£38.13 per Calculation Amount other than the Fixed Coupon Amount for the First Fixed Interest Period (as defined below)
	(iv) Broken Amount(s):	From (and including) the Issue Date, to (but excluding) the First Interest Payment Date (the " <b>First Fixed Interest Period</b> ") the Broken Amount will be £38.54 per Calculation Amount
	(v) Day Count Fraction:	Actual/Actual ICMA
	(vi) Determination Dates:	22 April and 22 October in each year
	(vii) Other terms relating to the method of calculating interest for Fixed Rate Notes:	Not Applicable
16	<b>Floating Rate Note Provisions</b>	Not Applicable
17	<b>Zero Coupon Note Provisions</b>	Not Applicable
18	<b>Index Linked Interest Note and other variable-linked interest Note Provisions</b>	Not Applicable
19	<b>Equity Linked Interest Note Provisions</b>	Not Applicable
20	<b>Currency Linked Note Provisions</b>	Not Applicable
21	<b>Dual Currency Note Provisions</b>	Not Applicable

**PROVISIONS RELATING TO REDEMPTION**

22	<b>Call Option</b>	Not Applicable
23	<b>Put Option</b>	Not Applicable
24	<b>Final Redemption Amount of each Note</b>	£1,000 per Calculation Amount
25	<b>Index Linked Redemption Notes</b>	Not Applicable
26	<b>Equity Linked Redemption Notes</b>	Not Applicable
27	<b>Relevant Assets</b>	Not Applicable
28	<b>Additional Disruption Events</b>	Not Applicable
29	<b>Credit Linked Notes</b>	Not Applicable

**30 Early Redemption Amount**

Early Redemption Amount(s) payable on redemption for taxation reasons or on event of default or other early redemption: As per Conditions

**GENERAL PROVISIONS APPLICABLE TO THE NOTES**

- 31 Form of Notes: Bearer Notes
- Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note
- 32 New Global Note: Yes
- 33 Financial Centre(s) or other special provisions relating to Payment Dates: London
- 34 Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature): Yes, where the exchange to Definitive Notes occurs on or before the Interest Payment Date falling on 22 April 2011. Each Talon shall be deemed to mature on the Interest Payment Date on which the final Coupon comprised in the relevant Coupon sheet matures.
- 35 Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Bank to forfeit the Notes and interest due on late payment: Not Applicable
- 36 Details relating to Instalment Notes: amount of each instalment, date on which each payment is to be made: Not Applicable
- 37 Redenomination, renominatisation and reconventioning provisions: Not Applicable
- 38 Consolidation provisions: Not Applicable
- 39 Additional U.S. Federal Tax Considerations: Not Applicable
- 40 Other final terms: Not Applicable

**DISTRIBUTION**

- 41 If syndicated, names of Managers: BNP PARIBAS  
J.P. Morgan Securities Ltd.  
Lloyds TSB Bank plc
- Stabilising Manager(s) (if any): Lloyds TSB Bank plc

- |    |                                    |                           |
|----|------------------------------------|---------------------------|
| 42 | If non-syndicated, name of Dealer: | Not Applicable            |
| 43 | U.S. Selling Restrictions:         | Reg S Category 2; TEFRA D |
| 44 | Additional selling restrictions:   | Not Applicable            |

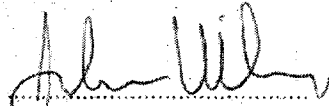
#### **LISTING AND ADMISSION TO TRADING APPLICATION**

These Final Terms comprise the final terms required for issue and admission to trading on the London Stock Exchange plc of the Notes described herein pursuant to the £50,000,000,000 Euro Medium Term Note Programme of Lloyds TSB Bank plc.

#### **RESPONSIBILITY**

The Bank accepts responsibility for the information contained in these Final Terms.

Signed on behalf of the Bank:



By:

Duly authorised

## **PART B – OTHER INFORMATION**

### **1 LISTING**

- |   |   |
|---|---|
| (i) Listing:  | London  |
| (ii) Admission to trading:  | Application has been made for the Notes to be admitted to trading on the regulated market of the London Stock Exchange with effect from 20 April 2010 |
| (iii) Estimate of total expenses related to admission to trading: | £4,200  |

### **2 RATINGS**

- |          |  |
|----------|--|
| Ratings: | The Notes to be issued are expected to be rated: |
|          | Fitch: A+  |
|          | S & P: BBB                                       |
|          | Moody's: Baa3                                    |

### **3 NOTIFICATION**

Not Applicable.

### **4 INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE**

Save as discussed in "Subscription and Sale", so far as the Bank is aware, no person involved in the offer of the Notes has an interest material to the offer.

### **5 REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES**

- |                                 |   |
|---------------------------------|---|
| (i) Reasons for the offer:      | General business purposes of Lloyds Banking Group |
| (ii) Estimated net proceeds:    | £742,282,500                                      |
| (iii) Estimated total expenses: | £18,500   |

### **6 YIELD**

- |                      |   |
|----------------------|---|
| Indication of yield: | 7.702 per cent. per annum   |
|                      | The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield. |

### **7 OPERATIONAL INFORMATION**

- |              |              |
|--------------|--------------|
| ISIN Code:   | XS0503834821 |
| Common Code: | 050383482    |

Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking, société anonyme and the relevant identification number(s):

Not Applicable

Delivery:

Delivery against payment

Names and addresses of additional Paying Agent(s) (if any):

Not Applicable

Intended to be held in a manner which would allow Eurosystem eligibility:

Yes

Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria. As at the Issue Date, the Notes do not meet the Eurosystem eligibility criteria due to their subordinated status.