

The Bank of New York Mellon

Global BuyDIRECTSM

*A Direct Purchase
and Sale Plan for*

Lloyds Banking Group

THE PLAN AND PARTICIPATION
IN THE PLAN IS GOVERNED BY
THIS PLAN BROCHURE IN ITS ENTIRETY.

PLEASE CAREFULLY REVIEW ALL
SECTIONS PRIOR TO SENDING AN
ENROLLMENT FORM OR ANY FUNDS TO
THE BANK OF NEW YORK MELLON.

Global BuyDIRECT is sponsored and administered
solely by The Bank of New York Mellon,
not by Lloyds Banking Group.

Effective May 19, 2015

Global BuyDIRECTSM is a service mark of The Bank of New York Mellon

Dear Investor:

BNY Mellon Capital Markets, LLC (“BNYMCM”), a registered broker-dealer, is forwarding the enclosed materials for the stock plan described therein (“the Plan”). A banking affiliate of BNYMCM is the Administrator of the Plan. Please review the enclosed materials for details of the Plan.

Orders received by the Administrator to purchase or sell securities under the Plan may be executed by BNYMCM. BNYMCM makes no recommendation for or against participation in the Plan or the purchase of any securities under the Plan, nor does it assume any responsibility for the accuracy of the statements made in the enclosed materials.

If you have any questions about the Plan, you may contact the Administrator at the toll-free number in the enclosed materials.

Very truly yours,

BNY Mellon Capital Markets, LLC

BNYMCM, a wholly owned non-bank subsidiary of The Bank of New York Mellon Corporation, is a full service, SEC registered broker-dealer, and a member of FINRA and SIPC. Securities offered through the Plan are not FDIC insured and are not held by BNYMCM. Securities held in Global BuyDIRECT are not subject to protection under SIPC. American Depositary Shares are not bank deposits or obligations of, or guaranteed by any bank and are subject to investment risks, including possible loss of the principal amount invested.

Protecting Your Privacy

Our Pledge to You

WE ARE COMMITTED TO YOUR PRIVACY. The privacy policies described in this notice apply to individuals who participate in this Plan for personal, family, or household purposes, or have done so in the past. This notification replaces all previous statements of our information sharing practices, and may be amended at any time. We'll keep you informed of changes as required by law.

YOUR ACCOUNT IS PROVIDED IN A SECURE ENVIRONMENT. We maintain physical, electronic and procedural safeguards that comply with federal regulations to guard nonpublic personal information. Our agents and service providers have limited access to customer information based on their role in servicing your account.

WE COLLECT INFORMATION IN ORDER TO SERVICE AND ADMINISTER YOUR ACCOUNT. We collect a variety of nonpublic personal information, which may include information about you from the Plan enrollment form and information about your transactions with us.

WE DO NOT SHARE NONPUBLIC PERSONAL INFORMATION WITH ANYONE, EXCEPT AS PERMITTED BY LAW.

Thank you for this opportunity to serve you.

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Global BuyDIRECTSM
OVERVIEW
A Direct Purchase & Sale Plan
For
American Depositary ADSs of
Lloyds Banking Group

The Bank of New York Mellon (the “Bank”) is pleased to offer a Direct Purchase and Sale Plan (the “Plan”) for the American Depositary Shares (“ADSs”) of Lloyds Banking Group (“Lloyds Banking Group” also, the “Company”). The Plan, *Global BuyDIRECT*, provides both registered holders and interested first-time investors with an affordable alternative for buying and selling Lloyds Banking Group ADSs.

Global BuyDIRECT Plan Features:

- **Convenient Purchase Option**

New investors can make their initial purchase directly through the Bank as Transfer Agent for the Company and Administrator for the *Global BuyDIRECT* Plan. Once enrolled, Participants can make additional optional cash investments in Lloyds Banking Group ADSs through the Plan.

- **Automatic Dividend Reinvestment**

Participants may choose to purchase additional ADSs of Lloyds Banking Group ADSs by investing all or a portion of their cash dividends.

- **Certificate or Book-Entry Ownership**

In lieu of physical certificates, ADSs acquired through or deposited into the Plan will be held in book-entry form. You will receive statements and confirmations reflecting your transaction history. You may, however, request the issuance of a physical certificate at any time via a toll-free number, the Administrator’s website or by mail.

- **Deposit of Certificates**

Certificates representing Lloyds Banking Group ADSs may be deposited directly into your Plan account. The Bank will credit these ADSs to your Plan account in book-entry form. You can withdraw or transfer all or a portion of your ADSs at any time.

- **Direct Sale**

All or a portion of your ADSs of Lloyds Banking Group that are held through the Plan may be sold directly through the Plan.

Global BuyDIRECT offers a convenient and flexible way of purchasing and selling ADSs of Lloyds Banking Group. There are fees associated with utilizing certain Plan features. The fees are set forth in the section, “Costs to Participants.”

***Global BuyDIRECTSM* IS
SPONSORED AND
ADMINISTERED SOLELY BY
THE BANK OF NEW YORK MELLON,
NOT BY LLOYDS BANKING GROUP**

American Depositary Shares (“ADSs”):

**NOT FDIC, STATE OR FEDERAL AGENCY INSURED
MAY LOSE VALUE
NO BANK, STATE OR FEDERAL AGENCY GUARANTEE**

The Bank of New York Mellon and Lloyds Banking Group provide no advice and make no recommendations with respect to purchasing or selling ADSs. Any decision to purchase or sell must be made by each individual Plan Participant based on his or her own research and judgment. Nothing herein shall be deemed to constitute an offer to sell or a solicitation to buy ADSs of Lloyds Banking Group.

Important Note: ADSs held in *Global BuyDIRECT* are not subject to protection under the Securities Investor Protection Act of 1970.

Please retain this brochure for future reference.

***Global BuyDIRECT* SUMMARY OF PLAN SERVICES For ADS Holders of Lloyds Banking Group**

The Bank of New York Mellon, the world's leading Depository Bank, is pleased to offer *Global BuyDIRECT* to existing registered holders and interested first-time investors as a direct, affordable alternative for buying and selling Lloyds Banking Group ADSs.

Eligibility & Enrollment

Almost everyone is eligible to enroll in *Global BuyDIRECT*. Interested investors may participate in the Plan if they already own Lloyds Banking Group ADSs or non-holders may make their initial purchase of ADSs directly through the Plan (see "Additional Terms and Conditions," for further information). If you have any questions or would like to enroll, simply contact the Bank at the following toll-free number **1-866-259-0336** or visit our website at www.mybnymdr.com.

Easy, Full Investment Plan

Once enrolled in the Plan you can invest cash dividends when paid and make optional cash investments simply and conveniently. Optional cash investments can be made at any time. With *Global BuyDIRECT*, you have the advantage of having your cash fully invested because all ADSs, both full and fractional, are credited to your account and earn dividends when paid.

Deposit of Certificates

If you already own Lloyds Banking Group ADSs in certificated form, you may deposit the certificates into your Plan account. The Bank will credit these ADSs to your Plan account in book-entry form. This feature protects your ADSs against possible loss, theft or accidental destruction and may save you the expense of having to replace your certificates.

Convenient Ways To Sell or Transfer Your ADSs

ADSs owned by you, whether in book-entry or certificated form, can be easily sold or transferred through the Plan. Transfers may be effected in book-entry or certificated form. You may instruct the Bank to issue a certificate in your name for ADSs held in the Plan at any time.

Plan Costs

The costs and fees associated with the Plan, including enrollment costs, administrative service fees and/or trading fees, are set forth in the section "Costs to Participants."

Global BuyDIRECT is sponsored and administered solely by The Bank of New York Mellon, not by Lloyds Banking Group. Please review the "Terms and Conditions" and "Costs to Participants" for specific Plan features and the fee schedule.

Global BuyDIRECTSM

Frequently Asked Questions and Answers

1. HOW DO I ENROLL IN THE PLAN?

Registered holders and other interested first-time investors can enroll in *Global BuyDIRECT* through our website at www.mybnyhdr.com or by completing, signing, and returning the Enrollment Form. An Enrollment Package can be obtained by contacting the Bank at the following toll-free number: 1-866-259-0336 or by visiting the website. Both existing registered holders and new investors must enroll online or complete, sign, and return an Enrollment Form to the Bank.

Once completed, the Enrollment Form and transaction instructions, if any, should be mailed to the Bank (see Question 19, “How Do I Contact The Bank of New York Mellon?” for mailing instructions). Enrollment in the Plan is voluntary. Each participant is responsible for reviewing the applicable laws of his or her country of residence prior to enrolling in the Plan. Participation in the Plan continues until terminated by you or by the Bank.

There is a one-time Initial Enrollment Fee of \$10.00 for all non-registered holders to open a Plan account. For first-time share purchases by non-registered holders, the minimum initial investment amount is \$200.00 but cannot be more than \$10,000.00.

If you want to sell book-entry ADSs through the Plan, you must be enrolled in the Plan. You may enroll in the Plan at the time of sale through our website, by telephone or by mail. See Question 9, “How Can I Sell My ADSs?” for additional information.

2. HOW CAN I PURCHASE ADDITIONAL ADSs?

You can easily purchase additional ADSs at any time by making optional cash investments. Your optional cash investments, less applicable fees, are used to purchase Lloyds Banking Group ADSs for your account. No interest will be paid to investors on optional cash investments held by the Bank pending investment.

You can make an optional cash investment when joining the Plan by using the Electronic Funds Transfer (“EFT”) feature offered on the Bank’s website, if enrolling electronically, or by enclosing a check with the Enrollment Form, if enrolling by mail. Thereafter, all optional cash investments made by mail should be accompanied by the tear-off portion of your account statement.

Once becoming a Plan Participant, you may make additional optional cash investments in amounts of at least \$50.00. Alternatively, Participants may elect to make optional cash investments via EFT as ad hoc transactions or recurring, pre-authorized debits (PAD). If the PAD option is chosen, a minimum of \$50.00 will be deducted from the Participant’s checking or savings account on the 25th day of each month, or if such date is not a business day, the deduction will be made on the preceding business day (see Question 3, “Can I Make Automatic Monthly Investments?”).

For each optional cash investment made by check or EFT, Participants will incur transaction fees of \$5.00 plus \$0.10 per ADS purchased. These fees include brokerage fees and commissions. The maximum investment amount per transaction is \$10,000.00 and the maximum annual aggregate investment is \$100,000.00 per calendar year. Optional cash investments must be made either by EFT or check drawn on a U.S. Bank, in U.S. currency, payable to “BNY Mellon/Lloyds Banking Group.” To make a payment by check, mail the tear-off portion of your account statement along with your check to the Bank using the courtesy reply envelope provided. **Third party checks, cash, money orders, traveler’s checks, cashier’s checks and checks not drawn on a U.S. Bank or not in U.S. currency will not be accepted and will be returned to the sender.**

For optional cash investments, purchases by the Bank are made at least once a week. Depending on the number of ADSs being purchased and current trading volume in the ADSs, purchases may be executed in multiple transactions on more than one day. In the unlikely event that, due to unusual market conditions, the Bank is unable to invest the funds within 35 days, the Bank will return the funds to you by check. No interest will be paid on funds held by the Bank pending investment.

Purchases are usually made through a broker affiliated with the Bank (the “Affiliated Broker”). The Affiliated Broker will receive brokerage commissions.

Participants should be aware that the ADS price may fluctuate between the time your purchase request is received by the Bank and the time purchase is made on the open market. The Bank may, at its own discretion, accept written requests to revoke instructions.

Optional cash investments may be rejected by the Bank if a Participant imposes any restrictions with respect to the number of ADSs to be purchased, the price at which the ADSs are to be purchased or the timing of when the purchase is to be made. When the Company pays a dividend, the Bank, in accordance with a Participant's chosen dividend investment option, will use all or part of the cash dividend to purchase additional ADSs.

In the event that a Participant's optional cash investment check or EFT is returned unpaid for any reason, the participant will be charged a \$35.00 return fee. Further, the Bank will immediately remove from the Participant's account ADSs that were purchased in anticipation of the collection of such funds plus the return fee. These ADSs will be sold to recover any uncollected funds and the return fee. If the net proceeds of the sale of such ADSs are insufficient to recover in full the uncollected amounts plus the return fee, the Bank reserves the right to sell such additional ADSs from any of the Participant's accounts maintained by the Bank as may be necessary to recover in full the uncollected balance plus the return fee. The sale of such ADSs may, in some cases, yield an amount greater than that required to recover in full the uncollected balance plus the return fee. If this occurs, only amounts in excess of \$1.00 will be remitted to the Participant.

3. CAN I MAKE AUTOMATIC MONTHLY INVESTMENTS?

Once enrolled in the Plan, Participants may contact the Bank to arrange for automatic monthly investments via EFT. EFT payments are deducted monthly from the Participant's designated account at any qualified financial institution that participates in the Automated Clearing House ("ACH"). Deductions are made on the 25th day of each month, or if such date is not a business day, the deduction will be made on the preceding business day.

For each optional cash investment made by EFT, Participants will incur transaction fees of \$5.00 plus \$0.10 per ADS purchased. These fees include brokerage fees and commissions. Such payments are subject to the minimum optional cash investment of \$50.00 per transaction, a maximum investment of \$10,000.00 per transaction and a maximum annual investment of \$100,000.00 per calendar year.

It is the responsibility of the Participant to immediately notify the Bank of any changes in EFT information as it relates to the Participant's authorized monthly deductions. Participants may change their EFT information on the Bank's website or call the Bank's toll-free number and request a new Enrollment Form.

Purchases are usually made through the Affiliated Broker. The Affiliated Broker will receive brokerage commissions.

Participants should be aware that the ADS price may fluctuate between the time your purchase request is received by the Bank and the time purchase is made on the open market. The Bank may, at its own discretion, accept written requests to revoke instructions.

4. CAN I INVEST MY DIVIDENDS?

You may invest all or a portion of the cash dividends paid on your Lloyds Banking Group ADSs. Following receipt of your instructions, the Bank will apply all or part of the cash dividend to the purchase of additional ADSs. Participants will incur transaction fees of 5% of the investment amount with a maximum of \$5.00 per dividend payment plus \$0.10 per ADS purchased. Dividends are invested as promptly as practicable on or following the payable date. Depending on the number of ADSs being purchased and current trading volume in the ADSs, purchases may be executed in multiple transactions and may be traded on more than one day. In the unlikely event that, due to unusual market conditions, the Bank is unable to invest the dividends within 30 days, the Bank will remit the dividends to you by check. No interest will be paid on funds held by the Bank pending investment. You may change your reinvestment option at any time online using the Bank's website, www.mybnymdr.com, or by sending a new Enrollment Form to the Bank. Changes must be received by the Bank on or before the record date for that dividend.

Purchases are usually made through the Affiliated Broker. The Affiliated Broker will receive brokerage commissions.

5. WHAT OPTIONS FOR DIVIDEND INVESTMENTS ARE AVAILABLE?

A. **"Full Dividend Investment."** If you elect this option, all your cash dividends on all ADSs now or subsequently registered in your name (including ADSs previously purchased for your account pursuant to the Plan) will be used to purchase additional ADSs.

B. **"Partial Dividend Investment."** If you elect this option, cash dividends on the number of ADSs which you designate in the appropriate space on the Enrollment Form or the online enrollment facility on the Bank's website, and all of the cash dividends on ADSs purchased thereafter for your account pursuant to the Plan will be used toward the purchase of additional ADSs.

6. CAN I ELECT TO HAVE MY CASH DIVIDENDS WIRED TO MY BANK OR OTHER FINANCIAL INSTITUTION?

If you elect to have all or a portion of your dividend paid in cash, this amount will be paid by check or can be directly deposited to your bank account via EFT. In order to take advantage of this option your bank or financial institution must be a member of the ACH. If you are interested in this option please log into your account online at www.mybnymdr.com or call the Bank's toll-free number.

7. HOW ARE SHARES PURCHASED?

The Bank aggregates all requests to purchase ADSs and then purchases the total ADSs on the open market on the exchange on which the ADSs are traded. The price per ADS purchased will reflect the per ADS transaction fee, and shall always be the average weighted price for all ADSs purchased for the Plan on the trade date or dates plus the per ADS transaction fee. Depending on the number of ADSs being purchased and current trading volume in the ADSs, purchases may be executed in multiple transactions and may be traded on more than one day. The purchase price will not be known until the purchase is complete. The Bank will credit your account for all full and fractional ADSs (to four decimal places) purchased on your behalf.

Net dividend funds and optional cash investments from all Participants may be commingled to purchase ADSs.

Purchases with respect to optional cash investments are made at least once a week. In the unlikely event that, due to unusual market conditions, the Bank is unable to invest the funds within 35 days, the Bank will return the funds to the applicable Participant by check. Purchases with respect to cash dividends are invested as promptly as practicable on or following the dividend payable date. In the unlikely event that, due to unusual market conditions, the Bank is unable to invest the dividends within 30 days, the Bank will remit the dividends to the applicable Participant by check. No interest will be paid on funds held by the Bank pending investment.

Purchases are usually made through the Affiliated Broker. The Affiliated Broker will receive brokerage commissions.

Participants should be aware that the ADS price may fluctuate between the time your purchase request is received by the Bank and the time purchase is made on the open market. The Bank may, at its own discretion, accept written requests to revoke instructions.

A statement will normally be mailed to you by first class mail within two (2) business days following the final trade settlement date showing the amount invested, purchase price, applicable transaction and trading fees (if any), and the number of ADSs credited to your account.

If the Company pays a dividend, a summary account statement showing all year-to-date transactions will be mailed to you, as soon as practicable following each dividend payment date. You may also request a statement at any time by calling the Bank or you can view your account online directly from our website at www.mybnymdr.com. You should retain these statements for your records. For your convenience, statements have a tear-off portion, which can be used to send instructions to the Bank for additional purchases, the issuance of certificates, the sale of ADSs, the termination of participation in the Plan or the deposit of certificates (see "Terms and Conditions" and "Costs to Participants," for further information).

8. DOES THE PLAN ALLOW DEPOSIT OF CERTIFICATED ADSs?

If you own the Company ADSs in certificated form, you may elect to deposit the ADSs represented by these certificates into your Plan account. The Bank will credit these ADSs to your Plan account in book-entry form. To deposit certificated ADSs, send the certificates via registered mail, return receipt requested, to the Bank along with either, at the time of enrollment, your completed, signed Enrollment Form or the tear-off portion of your account statement with your written instructions regarding the deposit. **Please do not sign the stock certificate.** We recommend that you insure the package for 2% of the value of the ADSs, or \$25.00, whichever is greater. See Question 19, "How Do I Contact The Bank of New York Mellon," for mailing instructions.

9. HOW CAN I SELL MY ADSs?

You may instruct the Bank to sell some or all ADSs held in your Plan account by one of the following methods:

- **Sale Orders via Internet**

You may instruct the Bank to sell some or all ADSs held in your Plan account by placing a sale order via the Internet. To place a sale order, visit our website at www.mybnymdr.com (see Question 19, "How Do I Contact The Bank of New York Mellon").

- **Sale Orders via Telephone/IVR System**

You may instruct the Bank to sell some or all ADSs held in your Plan account by placing a sale order via the Interactive Voice Response (“IVR”) system or by speaking directly to a Customer Service Representative (“CSR”). To place a sale order, contact the Bank toll-free at 1-866-259-0336. Simply enter your Investor ID at the prompt and select the menu option for sales and follow the instructions provided.

- **Sale Orders via Mail**

You may instruct the Bank to sell some or all ADSs held in your Plan account by completing and signing the tear-off portion of your account statement and mailing the instructions to the Bank. If there is more than one name or owner on the Plan account, all Participants must sign the tear-off portion of the account statement.

10. HOW ARE ADSs SOLD?

Sales transactions under the Plan are usually made through the Affiliated Broker. The Affiliated Broker will receive brokerage commissions in connection with such sales. ADSs are sold on the exchange on which the ADSs of the Company trade. The selling price may not be known until the sale is complete.

You may instruct the Bank to sell your ADSs under the Plan in one of two ways — through a Batch Order or Market Order.

Batch Order: In a Batch Order, the Bank will combine the ADSs you want to sell through the Plan with ADSs that are being sold by other Plan Participants. ADSs are then periodically submitted in bulk to the Affiliated Broker for sale on the open market. Your ADSs will usually be sold within one business day after the Bank receives your request, but no later than five business days (except where deferral is necessary under state or federal regulations). Depending on the number of ADSs being sold and current trading volume in the ADSs, bulk sales may be executed in multiple transactions and may be traded on more than one day. Once entered, a Batch Order request cannot be cancelled. Sales proceeds in a Batch Order transaction equal the market price that the broker receives for your ADSs (or, if more than one trade is necessary to sell all of the plan ADSs submitted to the broker on that day, the weighted average price for all such ADSs sold on the applicable trade date or dates), less applicable taxes and fees. Requests for Batch Orders may be placed online at www.mybnymdr.com, by telephone using the IVR system or speaking with a CSR, or in writing by completing and signing the tear-off portion of your account statement and mailing the instructions to the Bank.

Market Order: A Market Order is a request to sell your ADSs at the prevailing market price when the trade is executed. If such an order is placed during market hours, the Bank will promptly submit your ADSs to the Affiliated Broker for sale on the open market (such orders cannot be cancelled). If such an order is placed outside of market hours, the Bank will submit your ADSs to the Affiliated Broker on the next trading day. Requests to cancel such an order will be honored on a best efforts basis.

Sales proceeds in Market Orders equal the market price that the broker receives for your ADSs, less applicable taxes and fees. Requests for such transactions may only be placed online at www.mybnymdr.com, by telephone using the IVR system or through a CSR. Any sale request received in writing will be processed as a Batch Order request.

A check for the proceeds of the sale of ADSs (in U.S. dollars), less applicable taxes and fees, will generally be mailed to you by first class mail within four business days after the final trade settlement date. If you sell ADSs online at www.mybnymdr.com, by telephone using the IVR system or through a CSR, you may choose to receive sales proceeds in a foreign currency or by wire or direct deposit. These services are subject to additional fees and additional terms and conditions, which you must agree to when submitting the transaction.

All sales are subject to market conditions, system availability and other factors. The actual sale date or price received for any ADSs sold through the Plan may not be guaranteed.

The fees charged in connection with the sale of ADSs are described in detail in the section titled “Costs To Participants” in the attached “Global BuyDIRECT Terms and Conditions”.

If you want to sell ADSs through your own broker, you may request the Bank to transfer ADSs electronically from your Plan account to your brokerage account. Alternatively, you may request a stock certificate that you can then deliver to your broker. See “Can I Request ADSs in a Stock Certificate?” below for more information about certificate requests.

Plan Participants must perform their own research and must make their own investment decisions. Neither the Bank nor any of its affiliates will provide any investment recommendations or investment advice with respect to transactions made through the Plan.

11. CAN I REQUEST A CERTIFICATE?

You may request that the Bank issue a stock certificate for some or all of the ADSs (whole ADSs only) held in your Plan account. Please note that fractional ADSs *cannot* be issued in certificate form. To have a stock certificate issued, simply complete, sign and return the tear-off portion of the account statement. Requests for certificates may also be made via the Bank's website or by telephone using the IVR. There is no fee for this service.

12. HOW CAN I TRANSFER ADSs?

Transfers can be made in book-entry or certificated form at any time. In order to transfer ADSs, you will need to complete a Transfer Instruction Package. Simply visit the Bank's Stock Transfer website at www.mybnyhdr.com to download the form or call the Bank's toll-free number to request one. Please remember that you must obtain a Medallion Signature Guarantee for any transfer of ADSs.

A Medallion Signature Guarantee insures that the individual signing the request for transfer is the owner or authorized representative. It can be obtained from financial institutions (including many banks and brokerage firms) participating in one or more of the Medallion Signature Guarantee programs. Book-to-book transfers, which involve transferring ADSs from an existing Plan account to a new Plan account, should follow the steps listed below.

- Visit the Bank's website www.mybnyhdr.com or call the Bank's toll-free telephone number to request a Plan brochure and Enrollment Form for each new Participant's account. Complete the form(s), providing the full registration name, address and social security number of each new Participant. Each new Participant must sign the Enrollment Form
- The completed Enrollment Form should be sent along with a written request indicating the number of ADSs (full and fractional) that should be transferred to the new Participant's account. All existing Participants in the current Plan account must sign the instructions and their signatures must be Medallion Guaranteed as discussed above.
- Unless otherwise instructed on the Enrollment Form, dividends for the ADSs in the new Participant's account will be automatically reinvested. A confirmation advice of the transfer will be sent to new Participants.

13. HOW CAN I TERMINATE MY PARTICIPATION IN THE PLAN?

You may discontinue the reinvestment of dividends at any time by notifying the Bank. Notice may be made by telephone, in writing or by changing your dividend election on the Bank's website. To be effective for a given dividend payment, the Bank must receive notice by the record date of that dividend. **The Bank will continue to hold your ADSs unless you request them to be sold or issued.** To do so, simply complete the tear-off portion of an account statement and mail it to the Bank. Withdrawals may also be processed via the Bank's website or by phone using the Bank's IVR. Upon receipt of your instructions, a certificate for the full ADSs held in the Plan account will be issued or sold and any fractional share held in the Plan account will also be sold. You will receive a check for the proceeds, less applicable taxes and transaction fees, from any sale of ADSs.

14. MAY WE TERMINATE A PARTICIPANT'S PLAN PARTICIPATION?

Yes. If a Participant does not maintain at least one whole ADS in the Plan account or does not own any ADSs of record for which cash dividends are designated for reinvestment pursuant to the Plan, we may terminate the Participant's participation. A Participant whose participation has been terminated will receive a check for the cash value of any fractional share in the Plan account less applicable fees and taxes.

15. WHAT HAPPENS IF THE COMPANY ANNOUNCES A RIGHTS OFFERING?

In the event that the Company makes available to its shareholders any rights to subscribe for additional ADSs, the right to subscribe will be based on the total number of ADSs owned, both inside and outside the Plan. Any new ADSs distributed by the Company resulting from the exercise of the rights will be issued directly to the Participant.

16. WHAT HAPPENS IF THE COMPANY ISSUES A DIVIDEND PAYABLE IN ADSs OR DECLARES AN ADS SPLIT?

Any additional ADSs distributable to the Participant as a result of the Company's distribution of shares from stock dividends or splits will be added to the Participant's Plan account. This will include whole and fractional ADSs.

Processing of buys, sells and transfers may be temporarily suspended during such distributions or other corporate actions.

17. WHO WILL VOTE THE ADSs HELD IN THE PLAN AT SHAREHOLDERS' MEETINGS?

Participants in the Plan will receive voting materials and have the sole right to vote only whole ADSs of Lloyds Banking Group registered in such holder's name at the Bank including whole ADSs credited to a Participant's account under the Plan. Fractional ADS will not be included.

18. HOW WILL TAX REFUND PAYMENTS, RESULTING FROM TAX TREATIES, BETWEEN UNITED KINGDOM AND THE U.S. BE HANDLED?

Tax refunds resulting from reciprocal tax treaties are not eligible for investment. The Bank will remit cash proceeds for the tax refunds directly to the ADS holders.

19. HOW DO I CONTACT THE BANK OF NEW YORK MELLON?

For information regarding the Plan, please contact The Bank of New York Mellon through one of the following ways:

- Website:** www.mybnymdr.com
- Toll-free number:** 1-866-259-0336
- International number:** 1-201-680-6825
- For the Hearing Impaired (TDD):** 1-800-231-5469

An automated voice response system is available 24 hours a day, 7 days a week. Customer Service Representatives are available from 9:00 a.m. to 7:00 p.m., Eastern Time, Monday through Friday (except holidays).

Or write to:

Lloyds Banking Group
c/o The Bank of New York Mellon
P.O. Box 30170
College Station, TX 77842-3170

Be sure to include your name, address, daytime phone number, Investor Identification Number and a reference to Lloyds Banking Group on all correspondence.

Internet:

You can enroll, change your dividends election, obtain information, and perform certain transactions on your account online via Investor Centre at www.mybnymdr.com.

For added security, to safeguard your assets, BNY Mellon requires you to authenticate your identity when you register to access your account online. If you are a U.S. resident, you may authenticate your identity online by answering a series of questions. If you choose not to utilize the online authentication process, or you are not a U.S. resident, your individual authentication code will be sent to you via the U.S. Postal Service.

Global BuyDIRECT
TERMS AND CONDITIONS of
The Plan for ADS Holders of
Lloyds Banking Group

1. Introduction

The purpose of *Global BuyDIRECT*, (the “Plan”), is to provide registered American Depositary holders of Lloyds Banking Group (“Lloyds Banking Group” also, the “Company”) and other interested first-time investors with a simple, and convenient method of investing in Lloyds Banking Group ADSs. The Plan is administered by The Bank of New York Mellon (the “Bank”) as Depository for the ADSs which are evidenced by American Depositary Receipts (“ADRs”) representing Ordinary shares of Lloyds Banking Group.

Enrollment in the Plan is voluntary and may not be available to investors in certain countries. Persons residing outside the United States should determine whether they are subject to any governmental regulation prohibiting their participation.

The rights and entitlements of the ADSs are subject in their entirety to the terms and conditions of the deposit agreement under which they are issued. For a copy of the Deposit Agreement please contact the Depository or see the Lloyds Banking Group filings with the Securities and Exchange Commission at www.sec.gov.

2. ADS Purchases/Optional Cash Investments/Investing Dividends

All purchases of ADSs will be made in the open market on the exchange on which the ADSs are traded. Purchases are usually made through a broker affiliated with The Bank of New York Mellon (“Affiliated Broker”). The Affiliated Broker will receive brokerage commissions. The price per share cannot be determined prior to the purchase. The price per share purchased shall always be the average weighted price of all ADSs purchased for the Plan on that trade date or dates plus the per share transaction fee. Depending on the number of ADSs being purchased and current trading volume in the ADSs, purchases may be executed in multiple transactions and may be traded on more than one day. The purchase price will not be known until the purchase is complete. For optional cash investments, purchases are made at least once every five business days. In the unlikely event that, due to unusual market conditions, the Bank is unable to invest the funds within 35 days, the Bank will return the funds to you by check. In addition, if the Bank is unable to invest the dividends within 30 days, the Bank will remit the dividends to you by check. No interest will be paid on funds held by the Bank pending investment.

Optional Cash Investment statements will normally be mailed to Participants by first class mail within two (2) business days following the final trade settlement date showing the amount invested, purchase price, transaction fee, and the number of ADSs credited to each Participant’s account. Optional cash investments must be made either by Electronic Funds Transfer (“EFT”) or check drawn on a U.S. Bank, in U.S. currency, payable to “BNY Mellon/Lloyds Banking Group.” **Cash, third party checks, money orders, traveler’s checks or cashier’s checks will not be accepted.** EFT deductions are made on the 25th day of each month, or if such date is not a business day, the deduction will be made on the preceding business day.

For each optional cash investment made by check or EFT, Participants will incur transaction fees of \$5.00 plus \$0.10 per share purchased. These fees include brokerage fees and commissions. Such payments are subject to the minimum optional cash investment of \$50.00 per transaction, a maximum investment of \$10,000.00 per transaction and a maximum annual investment of \$100,000.00 per calendar year.

Dividends and other cash distributions are paid in U.S. dollars and the dividend payable date is the date on which shareholders are paid. Dividend purchases are invested as promptly as practicable on or following the dividend payable date and may be commingled with the optional cash investments on that trade date. Participants will incur transaction fees of 5% of the investment amount with a maximum of \$5.00 per dividend payment, plus a trading fee of \$0.10 per share. ADSs purchased will be credited to each Participant’s account in book-entry form (computed to four decimal places). Participants may change their dividend investment options at any time by accessing their account online at www.mybnymdr.com or by completing and sending a new Enrollment Form to the Bank. Changes must be received by the Bank on or before the record date for that dividend (see Question 19, “How Do I Contact The Bank of New York Mellon”).

If the Company pays a dividend, a summary account statement showing all year-to-date transactions will be mailed to you, as soon as practicable following each dividend payment date. You may also request a statement at any time by calling the Bank or you can view your account online directly from our website at www.mybnymdr.com. You should retain these statements for your records.

3. ADS Sales

All sales transactions under the Plan are made through an Affiliated Broker that will receive brokerage commissions in connection with such sales. ADSs are sold on the exchange on which the ADSs of the Company trade. The selling price may not be known until the sale is complete.

Plan participants may instruct the Bank to sell ADSs under the Plan in one of two ways — through a Batch Order or Market Order.

Batch Order: In a Batch Order, the Bank will combine the ADSs being sold through the Plan by all Plan Participants. ADSs are then periodically submitted in bulk to an Affiliated Broker for sale on the open market. ADSs will usually be sold within one business day after the Bank receives a Participant's request, but no later than five business days (except where deferral is necessary under state or federal regulations). Depending on the number of ADSs being sold and current trading volume in the ADSs, bulk sales may be executed in multiple transactions and over more than one day. Once entered, a Batch Order request cannot be cancelled. Sales proceeds in a Batch Order transaction equal the market price that the broker receives for the ADSs (or, if more than one trade is necessary to sell all of the Plan ADSs submitted to the broker on that day, the weighted average price for all such ADSs sold on the applicable trade date or dates), less applicable taxes and fees. Requests for Batch Orders may be placed online at www.mybnymdr.com, by telephone using the Interactive Voice Response ("IVR") system, or through a Customer Service Representative ("CSR") or in writing by completing and signing the tear-off portion of the account statement and mailing the instructions to the Bank.

Market Order: A Market Order is a request to sell ADSs at the prevailing market price when the trade is executed. If such an order is placed during market hours, the Bank will promptly submit the ADSs to an Affiliated Broker for sale on the open market (such orders cannot be cancelled). If such an order is placed outside of market hours, the Bank will submit the ADSs to an Affiliated Broker on the next trading day (any requests to cancel such an order will be honored on a best efforts basis).

Sales proceeds in Market Orders equal the market price that the broker receives for the ADSs, less applicable taxes and fees. Requests for such transactions may only be placed online at www.mybnymdr.com, or by telephone using the IVR system or speaking with a CSR. Any sale request received in writing will be processed as a Batch Order request.

A check for the proceeds of the sale of ADSs (in U.S. dollars), less applicable taxes and fees, will generally be mailed to Plan Participants by first class mail within four business days after the final trade settlement date. If a Plan Participant sells ADSs online at www.mybnymdr.com, or by telephone using the IVR system or speaking with a CSR, the Participant may choose to receive sales proceeds in a foreign currency or by wire or direct deposit. These services are subject to additional fees and additional terms and conditions, which the Participant must agree to when submitting the transaction.

All sales are subject to market conditions, system availability and other factors. The actual sale date or price received for any ADSs sold through the Plan may not be guaranteed.

The fees charged in connection with the sale of ADSs are described in detail in the section titled "Costs To Participants" set forth below.

If a Plan Participant wants to sell ADSs through her/his own broker, the Participant may request the Bank to transfer ADSs electronically from the Participant's Plan account to —her/his brokerage account. Alternatively, a Participant may request a stock certificate that she/he can then deliver to her/his broker. See "Requests for Certificates or Transfer of ADSs" below for more information about certificate requests.

Plan Participants must perform their own research and must make their own investment decisions. Neither the Bank nor any of its affiliates will provide any investment recommendations or investment advice with respect to transactions made through the Plan.

4. Requests for Certificates or Transfer of ADSs

Participants may request that the Bank issue a certificate for some or all of the whole ADSs held in the Participant's account at any time. Please note that fractional ADSs *cannot* be issued in certificate form. To have ADSs issued Participants can submit a request via the Bank's website or by phone using the IVR. Alternatively, Participants may complete, sign and return the tear-off portion of their account statement.

Participants may request the transfer of Plan ADSs. Transfers can be made in book-entry, or certificated form at any time. In order to transfer ADSs, a Participant will need to complete a Transfer Instruction Package. A Transfer Instruction Package may be obtained from the Bank's Stock Transfer website at www.mybnymdr.com or by calling the toll-free number to request one. A Medallion Guarantee will be required for any transfer of ADSs and can be obtained from any financial institution (including many banks and brokerage firms) participating in one or more of the Medallion Guarantee programs. Participants can also request book-to-book transfers, which involve transferring ADSs from an existing Plan account to a new Plan account (see Question 12, "How Can I Transfer ADSs?").

5. Deposit of Certificated ADSs

If a Participant owns Lloyds Banking Group ADSs in certificated form, he or she may elect to deposit the ADSs represented by such certificates into his or her Plan account with the Bank. The Bank will credit these ADSs to the Participant's Plan account in book-entry form.

To deposit certificated ADSs, a Participant should send the certificates via registered mail, return receipt requested, to the Bank along with either, at the time of enrollment, a completed, signed Enrollment Form or, with the tear-off portion of their account statement with written instructions regarding the deposit. **Please remember — do not sign the stock certificate.** We recommend that the Participant insure the package for 2% of the value of the ADSs, or \$25.00, whichever is greater. (See Question 19, "How Do I Contact The Bank of New York Mellon", for mailing instructions).

6. Account Statements

If the Company pays a dividend, a summary account statement showing all year-to-date transactions will be mailed to each Participant as soon as practicable following each dividend payment date. If no dividends are paid by the Company a summary account statement showing all year-to-date transaction activity will be mailed to you on an annual basis, usually in January, reflecting the preceding year's activity. Participants may also request a statement for their account at any time by calling the Bank's toll-free number or by viewing their account online directly from the Bank's website at www.mybnymdr.com. Participants should retain these statements for their records.

ADDITIONAL TERMS AND CONDITIONS

Affiliates of the Company are not eligible to participate in the Plan. The Plan is not intended for use by institutional investors or financial intermediaries. Enrollment in the Plan is voluntary and may not be available to investors in certain countries. Initiation of a transaction(s), including optional cash investments, dividend investment, depositing certificated ADSs into the Plan and/or selling or purchasing ADSs, shall establish an agency relationship by the Participant with the Bank.

Distribution of Rights/Rights Proceeds

In the event that the Company makes available to its shareholders any rights to subscribe for additional ADSs, the rights to subscribe will be based on the total number of ADSs owned, both inside and outside the Plan. Any new ADSs distributed by the Company resulting from the exercise of the rights will be issued directly to the Participant.

Corporate Actions, Distribution of Stock Dividends/Stock Splits

Any additional ADSs distributed to the Participant as a result of the Company's distribution of shares from stock dividends or splits will be added to the Participant's Plan account. This will include whole and fractional ADSs.

Processing of buys, sells and transfers may be temporarily suspended during such distributions or other corporate actions.

Voting/Annual Meetings

Participants in the Plan will receive voting materials and have the sole right to vote only whole ADSs of the Company registered in such holder's name at the Bank, including whole ADSs credited to a Participant's account under the Plan. Fractional ADSs will not be included.

Tax Reporting

Generally, the Bank is required to report to both the Participant and the U.S. Internal Revenue Service information regarding dividend amounts paid by the Company as well as any proceeds a Participant received from the sale of the ADSs, rights or other securities. The tax consequences of participating in the Plan can vary depending on each Participant's tax situation. Accordingly, each Participant is responsible for determining the tax effect of Plan participation and should consult with their tax advisor with respect to the current and proposed federal, state, local, foreign and other tax laws.

Liability

Neither the Company nor the Bank will be liable for any losses or liability howsoever incurred by Participants arising from, related to or in connection with the administration of the Plan or the Bank's actions or non-actions with respect to the Plan (including by way of example and not by way of limitation any losses or claim of liability arising from (i) the failure to terminate a Participant's account, sell ADSs in the Plan or invest optional cash investments or dividends without prior receipt of proper documentation and instructions; (ii) the prices at which ADSs are purchased or sold for the Participant's account, the timing of such purchases and sales, and the fluctuation of prices of the ADSs (a) between the receipt of cash or dividends for investment and such investment, (b) between the receipt of instructions to sell and such sale and (c) after the purchase and sale of ADSs, and (iii) the transfer of ADSs from Participant's account to a broker pursuant to the Profile Program of The Depository Trust Company) except for such losses and liabilities caused by the gross negligence or willful misconduct of the Bank; and Participant shall indemnify and hold harmless the Bank from all losses and liabilities incurred by the Bank (including losses and liabilities arising from disputes with Participant) other than those caused by the Bank's gross negligence or willful misconduct. In no event shall the Bank be liable for special, consequential or punitive damages or losses due to forces beyond its control (including by way of example and not by way of limitation strikes, work stoppages, acts of war or terrorism, insurrection, revolution, nuclear or natural catastrophes or acts of God, and interruptions, loss or malfunctions of utilities, communications or computer (software and hardware services)).

These Terms and Conditions and the administration of the Plan and the Bank's duties and responsibilities under the Plan shall be governed by the substantive laws (and not the choice of law rules) of the State of New York; all proceedings relating to the Plan shall be brought by Participant only in courts located in the City of New York; and Participants waive their right to trial by jury.

The Bank reserves the right to modify the Plan including the right to terminate the Plan upon notice to Plan Participants. In addition, the Bank reserves the right to interpret and regulate the Plan as it deems necessary or desirable in connection with its operation.

American Depositary Shares ("ADSs"):

**NOT FDIC, STATE OR FEDERAL AGENCY INSURED
MAY LOSE VALUE
NO BANK, STATE OR FEDERAL AGENCY GUARANTEE**

The Bank and the Company provide no advice and make no recommendations with respect to purchasing or selling ADSs. Any decision to purchase or sell must be made by each individual Plan Participant based on his or her own research and judgment. Nothing herein shall be deemed to constitute an offer to sell or a solicitation to buy share(s) of the Company.

Important Note: ADSs held in *Global BuyDIRECT* are not subject to protection under the Securities Investor Protection Act of 1970.

COSTS TO PARTICIPANTS

Listed below are the costs incurred by Participants of *Global BuyDIRECT*. *The fees are subject to change at any time. This is considered part of the "Terms and Conditions" of the Plan.*

Initial Enrollment Fee	\$10.00 (one-time charge, per account, for first-time investors)
Optional Cash Investments	
By Check	\$5.00 per investment plus \$0.10 per share purchased
By EFT debit	\$5.00 per investment plus \$0.10 per share purchased
Reinvestment of Dividends	5% of the dividend amount up to a maximum of \$5.00
Transaction Fee	plus \$0.10 per share purchased
Sale of ADSs	
Batch Order	\$10.00 per transaction plus \$0.10 per share sold
Market Order	\$25.00 per transaction plus \$0.12 per share sold
Alternative Currency Disbursement Fees	
US\$ or Foreign Currency Wire	\$50.00 per transaction
Foreign Check	\$15.00 per transaction
EFT (Direct Deposit — US\$ only)	\$10.00 per transaction
Deposit of Certificates	No Charge
Certificate Withdrawal	No Charge
Book-to-Book Transfers	No Charge
Minimum Optional Cash Investments	
Minimum initial investment by non-registered holders	\$200.00
Minimum investment by existing registered holders	\$50.00
Maximum Optional Cash Investments	
Maximum amount per transaction by holders (first-time non-registered and existing registered holders)	\$10,000.00
Maximum Aggregate Investment Per Calendar Year	\$100,000.00
Return of Investment Check or EFT	\$35.00

