

10 YEAR USD CALLABLE DUAL RANGE ACCRUAL NOTE

Traded Termsheet as of 3rd October 2005

Description: 10 year USD denominated Callable Daily Range Accrual Notes (the "Notes") with Interest linked to the USD 3 month LIBOR and the spread between the USD 30y Swap Rate and USD 2y Swap Rate. The Notes are callable by the Issuer after 3 months and quarterly thereafter.

Issuer: Lloyds TSB Bank Plc.

Issuer's Ratings: Aaa / AA

Status: Senior Unsubordinated

Aggregate Nominal Amount: USD [5,000,000]

Specified Denomination: USD 10,000 per Note, minimum trading size USD 100,000

Issue Price: 100.00%

Launch Date: 03 October 2005

Subscription End: 25 October 2005

Issue Date: 02 November 2005

Maturity Date: 02 November 2015

Interest Rate: Year 1-10: **Coupon * (n/N)**

Period	Range 1	Range 2	Coupon
Year 1 – 10	0 – 7.00%	0.00%	3m USD LIBOR + 4.00%

n = the number of calendar days in the relevant Interest Period on which Index 1 is within Range 1 (inclusive) AND on which Index 2 is greater than or equal to Range 2

N = total number of calendar days in the relevant Interest Period

For the coupon rate the 3 month USD LIBOR rate will be set 2 London business days prior to the start of the interest period.

If a particular calendar day in an Interest Period is not a Business Day, then the relevant Index determined by the Calculation Agent for the immediately preceding Business Day shall be applied to such calendar day. In respect of each calendar day from and including the 5th Business Day prior to an Interest Payment Date, the relevant Index determined by the Calculation Agent for such 5th Business Day prior to that Interest Payment Date shall be applied to each such calendar day.

Bonds are trading flat out of any accruals!

Interest Amount: Interest Rate x Day Count Fraction x Specified Denomination

Day Count Fraction: 30/360

Business Day Convention: Modified Following Adjusted

Interest Period: The initial Interest Period will be the period from and including the Issue Date to but excluding the first Interest Payment Date. Each subsequent Interest Period will be the period between two successive Interest Payment Dates, from and including one Interest Payment Date to but excluding the immediately following Interest Payment Date

Index 1: USD 3m LIBOR, as determined by the Calculation Agent in accordance with Index 1 Fixing by referring to Rate Source (index 1).

Index 2: USD 30y Swap Rate – USD 2y Swap Rate, as determined by the Calculation Agent in accordance with Index 2 Fixing by referring to Rate Source (index 2).

Index 1 Fixing: In respect of each Business Day, at 11am London time

Index 2 Fixing: In respect of each Business Day, at 11am New York time

Rate Source (Index 1): Telerate Page 3750. If such rate or page is not available, the rate will be determined by the Calculation Agent in good faith acting in its sole and absolute discretion.

Rate Source (Index 2):

Rate	Rate Source
USD 2y Swap Rate	The 2 Year Semi annual 30/360 par rate swaps on Reuters Page ISDAFIX1 under the "11:00 a.m. Fix" column
USD 30y Swap Rate	The 30 Year Semi annual 30/360 par rate swaps on Reuters Page ISDAFIX1 under the "11:00 a.m. Fix" column

If such rate or page is not available, the rate will be determined by the Calculation Agent in good faith acting in its sole and absolute discretion.

Calculation Agent: UBS AG, London Branch

Interest Payment Dates: 2 November, 2 February, 2 May and 2 August of each year commencing on and including [2] February 2006, each as adjusted in accordance with the Business Day Convention.

Redemption Amount: 100%

Early Redemption Option (Call): The Issuer may redeem the Notes at the Optional Redemption Amount, in whole but not in part, on any Interest Payment Date commencing on or after the Interest Payment Date falling in **2 February 2006**, upon giving written notice at least five (5) Business Days prior to the relevant Interest Payment Date to the Programme's Issuing and Paying Agent. Note holders will be entitled to any Interest Payments due on the Early Redemption Date.

Early Redemption Date: If the Notes are called, the Interest Payment Date in respect of which the Early Redemption Option is exercised.

Optional Redemption Amount: 100%

Listing: No Listing

Business Days: New York and London

Settlement: Euroclear / Clearstream Banking

Documentation: Issued off the Issuer's Euro Medium Term Note Programme. Purchase of the Notes is subject to and should be read in conjunction with the terms and conditions of the Notes, the Information Memorandum for the Programme and the Final Terms relating to this issue of Notes.

Market Making: It is the current practice (but not the legal obligation) of UBS to quote on request a live price, which it might pay/charge for early termination of any note of this type, which it arranges. A live unwind price may be affected by then current market conditions, liquidity and market standard denomination. UBS is under no obligation to hold a price quoted for any length of time unless this is agreed at the time of giving the quote.

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Product Risk Disclosure: Investors must be aware that if, on any Business Day if Index 1 is not within Range 1 (inclusive) or Index 2 is less than Range 2, there will be no accrued interest for that particular Business Day and any immediately following non-Business Days.

Selling Restrictions: **Any Notes purchased by any person for resale may not be offered in any jurisdiction in circumstances which would result in the Issuer being obliged to register any further prospectus or corresponding document relating to the Notes in such jurisdiction.**

Noteholders are advised to read the selling restrictions described more fully in the Offering Memorandum regarding the Issuer's Euro Medium Term Note Programme. The restrictions listed below must not be taken as definitive guidance as to whether this note can be sold in a jurisdiction. Noteholders should seek specific advice before onselling a Note.

Europe - For EEA jurisdictions that have not implemented the EU Prospectus Directive, sales must be in compliance with the law of that jurisdiction.

USA - The Notes may not be sold or offered within the United States or to U.S. persons.

Hong Kong – The contents of this document have not been reviewed by any regulatory authority in Hong Kong. Investors are advised to exercise caution in relation to the offer. If an investor is in any doubt about any of the contents of this document, the investor should obtain independent professional advice.

The Notes have not been offered and sold, and each purchaser represents and agrees that it will not offer and sell the Notes in Hong Kong, by means of any document, other than to persons whose ordinary business is to buy and sell shares or debentures, whether as principal or agent, or in circumstances which do not constitute an offer to the public within the meaning of the Companies Ordinance (Cap. 32) of Hong Kong or to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance, or in other circumstances which do not result in the document being a "prospectus" within the meaning of the Companies Ordinance. In relation to the issue of the Notes, each purchaser represents and agrees that it has not issued and will not issue any advertisement, invitation or document relating to the Notes, whether in Hong Kong or elsewhere, 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 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 Securities and Futures Ordinance and any rules made thereunder.

Singapore - This Term Sheet and the Final Terms and Base Prospectus relating to the Notes have not been registered as a prospectus with the Monetary Authority of Singapore (the "MAS") under the Securities and Futures Act (Cap. 289) of Singapore (the "Securities and Futures Act"). Accordingly, the Notes may not be offered or sold or made the subject of an invitation for subscription or purchase nor may this Terms Sheet, the Final Terms and Base Prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase of such Notes be circulated or distributed, whether directly or indirectly, to the public or any member of the public in Singapore other than (1) to an institutional investor or other person falling within Section 274 of the Securities and Futures Act, (2) to a sophisticated investor (as defined in Section 275 of the Securities and Futures Act) and in accordance with the conditions specified in Section 275 of the Securities and Futures Act or (3)

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Others - As detailed in the Base Prospectus for the Programme

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