

Lloyds Banking Group plc  
Form 424B2  
June 07, 2013  
PROSPECTUS SUPPLEMENT  
(to prospectus dated June 7, 2013)

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Registration Nos. 333-189150 and 333-189150-01

Lloyds TSB Bank plc  
Medium-Term Notes, Series A  
fully and unconditionally guaranteed by Lloyds Banking Group plc

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We, Lloyds TSB Bank plc, may offer from time to time our senior unsecured Medium-Term Notes, Series A, which may be issued in one or more sub-series from time to time and which we hereinafter refer to as the “notes.” The notes will be fully and unconditionally guaranteed by Lloyds Banking Group plc. The specific terms of any notes that we offer will be determined before each sale and will be described in a separate pricing supplement, product supplement and/or underlying supplement (each, a “supplement”). Terms may include:

- Interest Rate: the notes may bear interest at fixed or floating rates, or may not bear any interest;
  - Interest Rate Basis: the floating rate formula may be based on:
    - the CD rate;
    - the CMS rate;
    - the CMT rate;
    - the commercial paper rate;
    - the federal funds rate;
    - LIBOR;
    - EURIBOR;
    - the prime rate;
    - the treasury rate; or
  - such other interest rate basis or bases or interest rate formula as is described in the applicable supplement.
- Indexed notes: principal, premium (if any), interest payments, or other amounts payable (if any) linked, either directly or indirectly, to the price or performance of one or more market measures, including securities, currencies, commodities, interest rates, stock or commodity indices, inflation indices, or any combination of the above;
  - Maturity: the notes will mature three months or more from the date of issue;
- Redemption or Repayment Option: the notes may be subject to redemption or repayment at our option or the holder’s option;
- Form: the notes will be held in global form by The Depository Trust Company, unless the applicable supplement provides otherwise;
- Interest Payment Dates: interest on the notes, if any, will be paid on the dates specified in the applicable supplement;
  - Payment Currency: U.S. dollars or any other currency that we specify in the applicable supplement.

We may sell notes to the selling agents as principal for resale at varying or fixed offering prices or through the selling agents as agents using their reasonable best efforts on our behalf. We may also sell the notes directly to investors.

Unless otherwise specified in the applicable supplement, we do not intend to list the notes on any securities exchange.

Investing in the notes involves risks. See “Risk Factors” beginning on page S-2 of this prospectus supplement and as incorporated by reference herein.

Any payments due on the notes, including any repayment of principal, will be subject to the creditworthiness of Lloyds TSB Bank plc, as the issuer of the notes, and Lloyds Banking Group, as the guarantor of Lloyds TSB Bank plc's obligations under the notes. Our notes are unsecured and are not bank deposits. Our notes are not insured or guaranteed by the Federal Deposit Insurance Corporation or any other governmental agency, and involve investment risks.

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

BofA Merrill Lynch  
BNP PARIBAS  
Credit Suisse  
Goldman, Sachs & Co.  
J.P. Morgan  
RBC Capital Markets  
RBS  
Wells Fargo Securities

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Barclays  
Citi  
Deutsche Bank Securities  
HSBC  
Lloyds Bank Corporate Markets  
UBS Investment Bank  
Morgan Stanley

Prospectus Supplement dated June 7, 2013

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You should rely only on the information incorporated by reference or provided in this prospectus supplement, the accompanying prospectus and any related supplement. We have not authorized anyone to provide you with different information. We are not offering the securities in any jurisdiction where the offer is not permitted. You should not assume that the information in this prospectus supplement, the accompanying prospectus or any related supplement is accurate as of any date other than the date on the front of this document.

## ABOUT THIS PROSPECTUS SUPPLEMENT

In this prospectus supplement, we use the following terms:

- “we,” “us,” “our” and “Lloyds Bank” mean Lloyds TSB Bank plc;
- “LBG” means Lloyds Banking Group plc;
- “SEC” refers to the Securities and Exchange Commission;
- “pounds,” “sterling,” “pence,” “£” and “p” refer to the currency of the United Kingdom;
- “dollars” and “\$” refer to the currency of the United States; and
- “euro” and “€” refer to the currency of the member states of the European Union (“EU”) that have adopted the single currency in accordance with the treaty establishing the European Community, as amended.

We have registered the notes and related guarantees on a registration statement on Form F-3 with the SEC under registration no. [ ]. We refer to the notes and related guarantees offered under this prospectus supplement as our Medium-Term Notes.

This prospectus supplement describes additional terms of the notes, and supplements the description of our debt securities contained in the accompanying prospectus. If the information in this prospectus supplement is inconsistent with the accompanying prospectus, this prospectus supplement will supersede the information in the accompanying prospectus.

From time to time, we intend to use this prospectus supplement, the accompanying prospectus, and a related pricing supplement, product supplement and/or underlying supplement to offer the notes. We may also refer to any pricing supplement as a “term sheet.” You should read each of these documents before investing in the notes. You should also read the information contained in the documents identified in “Where You Can Find More Information” in the accompanying prospectus.

For each offering of notes, we will issue a pricing supplement, a product supplement and/or underlying supplement which will contain additional terms of the offering and a specific description of the notes being offered. A supplement also may add, update, or change information in this prospectus supplement or the accompanying prospectus, including provisions describing the calculation of the amounts due under the notes and the method of making payments under the terms of a note. We will state in the applicable supplement the interest rate or interest rate basis or formula, issue price, any relevant market measures, the maturity date, interest payment dates, redemption, or repayment provisions, if any, and other relevant terms and conditions for each note at the time of issuance. A supplement may also include a discussion of any risk factors or other special additional considerations that apply to a particular type of note. Each applicable supplement can be quite detailed and should always be read carefully.

This prospectus supplement and the accompanying prospectus do not constitute an offer to sell or the solicitation of an offer to buy the notes in any jurisdiction in which that offer or solicitation is unlawful. The distribution of this prospectus supplement and the accompanying prospectus and the offering of the notes in some jurisdictions may be restricted by law. If you have received this prospectus supplement and the accompanying prospectus, you should find out about and observe these restrictions. Persons outside the United States who come into possession of this prospectus supplement and the accompanying prospectus must inform themselves about and observe any restrictions relating to the distribution of this prospectus supplement and the accompanying prospectus and the offering of the

notes outside of the United States. The information set forth in this prospectus supplement is directed to prospective purchasers who are United States residents. We disclaim any responsibility to advise prospective purchasers who are residents of countries other than the United States of any matters arising under foreign law that may affect the purchase of or holding of, or receipt of payments on, the notes. These persons should consult their own legal and financial advisors concerning these matters. See “Supplemental Plan of Distribution.”

Any term that is used, but not defined, in this prospectus supplement has the meaning set forth in the accompanying prospectus.

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## RISK FACTORS

Your investment in the notes and the guarantees involves significant risks. Your decision to purchase the notes should be made only after carefully considering the risks of an investment in the notes, including those discussed below and in the relevant supplement(s) for the specific notes, with your advisors in light of your particular circumstances. The notes are not an appropriate investment for you if you are not knowledgeable about significant elements of the notes or financial matters in general.

### Risks relating to Lloyds Bank and LBG

For a description of the risks associated with Lloyds Bank and LBG and information regarding risks and uncertainties that may materially affect our business and results, see the sections entitled “Operating Financial Review and Prospects” and “Risk Factors” in LBG’s annual report on Form 20-F for the year ended 2012, which is incorporated by reference in the accompanying prospectus. You should also review the risk factors that will be set forth in other documents filed after the date of this prospectus supplement.

### Risks relating to the notes

An investment in the notes is subject to the credit risk of Lloyds Bank and LBG.

An investment in any of the notes and the guarantee issued under our medium-term note program is subject to the credit risk of Lloyds Bank and LBG. The existence of a trading market for, and the value of, any of the notes and the guarantee may be impacted by market perception of the creditworthiness of Lloyds Bank and LBG. If market perception of the creditworthiness of Lloyds Bank and LBG were to decline for any reason, the value of your notes and the guarantee, and the availability of the trading markets generally, may be adversely affected.

The value of the notes may be less than the principal amount of the notes.

The market for, and value of, the notes may be affected by a number of factors. These factors include:

- the time remaining to maturity of the notes;
- the aggregate amount outstanding of the relevant notes;
- any redemption or exchange features of the notes;
- the level, direction, and volatility of market interest rates generally;
- general economic conditions of the capital markets in the United States;
- geopolitical conditions and other financial, political, regulatory, and judicial events that affect the stock markets generally; and
- any market-making activities with respect to the notes.

Often, the only way to liquidate your investment in the notes prior to maturity will be to sell the notes. At that time, there may be a very illiquid market for the notes or no market at all. For indexed notes that have specific investment objectives or strategies, the applicable market may be more limited, and the price may be more volatile, than for other notes. The value of indexed notes may be adversely affected by the complexity of the formula and volatility of the

applicable reference market measure, including any dividend rates or yields of other securities or financial instruments that relate to the indexed notes. Moreover, the value of indexed notes could be adversely affected by changes in the amount of outstanding equity or other securities linked to those notes.

Holders of indexed notes are subject to significant risks that are not associated with more conventional notes.

If you invest in indexed notes, you will be subject to significant risks not associated with conventional fixed-rate or floating-rate notes. These risks include the possibility that the applicable market measures may be subject to fluctuations, and the possibility that you will receive a lower, or no, amount of principal, premium, or interest, and at

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different times than expected. In recent years, many securities, currencies, commodities, interest rates, indices, and other market measures have experienced volatility, and this volatility may be expected in the future. However, past experience is not necessarily indicative of what may occur in the future. We have no control over a number of factors, including economic, financial, and political events, that are important in determining the existence, magnitude, and longevity of market volatility and other risks and their impact on the value of, or payments made on, the indexed notes. In considering whether to purchase indexed notes, you should be aware that the calculation of amounts payable on indexed notes may involve reference to a market measure determined by one of our affiliates or prices or values that are published solely by third parties or entities which are not regulated by the laws of the United States. Additional risks that you should consider in connection with an investment in indexed notes will be set forth in the applicable supplement(s).

Potential US Foreign Account Tax Compliance Act withholding may apply after 31 December 2016.

Under certain provisions of the Internal Revenue Code (commonly referred to as “FATCA”) as well as certain intergovernmental agreements between the United States and certain other countries (including the United Kingdom), together with expected local country implementing legislation, certain payments made in respect of the Notes after December 31, 2016 may be subject to withholding (“FATCA withholding”).

Provided that the notes are not treated as equity for US federal income tax purposes, and are not materially modified on or after the later of January 1, 2014 and the date that is six months after the date on which final Treasury regulations defining the term “foreign passthru payments” are issued (the “Grandfathering Date”), no payment on a note issued on or before, and not materially modified after, the Grandfathering Date will be subject to FATCA withholding. With respect to notes that are treated as equity for US federal income tax purposes or are issued, or materially modified, after the Grandfathering Date, Lloyds Bank (or a relevant intermediary) may be required to impose FATCA withholding on payments in respect of the notes, to the extent that such payments are “foreign passthru payments,” made after December 31, 2016 to any recipient (including an intermediary) that has not entered into an agreement with the Internal Revenue Service (the “IRS”) pursuant to FATCA or otherwise established an exemption from FATCA, including as a result of a failure to provide certain information and forms or other documentation requested by Lloyds Bank, LBG or any relevant intermediary.

The United States has entered into intergovernmental agreements with the United Kingdom and certain other jurisdictions and is in the process of negotiating intergovernmental agreements with many other countries. It is not yet certain how the United States and these jurisdictions will address “foreign passthru payments” or if withholding will be required at all under such agreements.

In the event that any amount of FATCA withholding is required from a payment on a note, no additional amounts will be paid by Lloyds Bank, LBG, any paying agent or the trustee and withheld amounts will be treated as paid for all purposes under the notes. If any FATCA withholding is imposed by the United States, a beneficial owner of notes that is not a foreign financial institution may be entitled to a refund of amounts withheld by filing a US federal income tax return. A beneficial owner of notes that is a foreign financial institution will be able to obtain a refund of FATCA withholding imposed by the United States only to the extent an applicable income tax treaty with the United States entitles it to an exemption from, or reduced rate of, tax on the payment that was subject to FATCA withholding. Prospective purchasers and beneficial owners of notes should consult their tax advisers as to how these rules may apply to payments they receive under the notes and their ability to obtain a refund of any FATCA withholding.

Usury laws may limit the amount of interest that can be charged and paid on the notes.

New York law will govern the notes offered by this prospectus supplement. New York usury laws limit the amount of interest that can be charged and paid on loans, including the notes. Under current New York law, the maximum

permissible rate of interest is 25% per year on a simple interest basis. This limit may not apply to notes in which \$2,500,000 or more has been invested. While we believe that a U.S. federal or state court sitting outside New York may give effect to New York law, many other states also have laws that regulate the amount of interest that may be charged to and paid by a borrower. We do not intend to claim the benefits of any laws concerning usurious rates of interest.

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## Currency Risks

We may issue notes denominated in or whose principal and interest is payable in a currency other than U.S. dollars. We refer to these notes as “Non-U.S. Dollar-Denominated Securities.” If you intend to invest in any Non-U.S. Dollar-Denominated Securities, you should consult your own financial and legal advisors as to the currency risks related to your investment. The Non-U.S. Dollar-Denominated Securities are not an appropriate investment for you if you are not knowledgeable about the significant terms and conditions of the Non-U.S. Dollar-Denominated Securities or financial matters in general. The information in this prospectus supplement is directed primarily to investors who are U.S. residents. Investors who are not U.S. residents should consult their own financial and legal advisors about currency-related risks arising from their investment.

Non-U.S. Dollar-Denominated Securities have significant risks that are not associated with a similar investment in conventional debt securities that are payable solely in U.S. dollars. These risks include possible significant changes in rates of exchange between the U.S. dollar and the specified currency and the imposition or modification of foreign exchange controls or other conditions by either the United States or non-U.S. governments. These risks generally are influenced by factors over which we have no control, such as economic and political events and the supply of and demand for the relevant currencies in the global markets.

**Currency Exchange Rates.** Exchange rates between the U.S. dollar and other currencies have been highly volatile. This volatility may continue and could spread to other currencies in the future. Fluctuations in currency exchange rates could adversely affect an investment in the Non-U.S. Dollar-Denominated Securities. Depreciation of the specified currency against the U.S. dollar could result in a decrease in the U.S. dollar-equivalent value of payments on the Non-U.S. Dollar-Denominated Securities. That in turn could cause the market value of the Non-U.S. Dollar-Denominated Securities to fall.

**Changes in Foreign Currency Exchange Rates.** Except as described below or in a supplement, we will not make any adjustment in or change to the terms of the Non-U.S. Dollar-Denominated Securities for changes in the foreign currency exchange rate for the specified currency, including any devaluation, revaluation, or imposition of exchange or other regulatory controls or taxes, or for other developments affecting the specified currency, the U.S. dollar, or any other currency. Consequently, you will bear the risk that your investment may be adversely affected by these types of events.

**Government Policy.** Foreign currency exchange rates either can float or be fixed by sovereign governments. Governments or governmental bodies, including the European Central Bank, may intervene in their economies to alter the exchange rate or exchange characteristics of their currencies. For example, a central bank may intervene to devalue or revalue a currency or to replace an existing currency. In addition, a government may impose regulatory controls or taxes to affect the exchange rate of its currency. As a result, the yield or payout of a Non-U.S. Dollar-Denominated Security could be affected significantly and unpredictably by governmental actions. Changes in exchange rates could affect the value of the Non-U.S. Dollar-Denominated Securities as participants in the global currency markets move to buy or sell the specified currency or U.S. dollars in reaction to these developments.

If a governmental authority imposes exchange controls or other conditions, such as taxes on the transfer of the specified currency, there may be limited availability of the specified currency for payment on the Non-U.S. Dollar-Denominated Securities at their maturity or on any other payment date. In addition, the ability of a holder to move currency freely out of the country in which payment in the currency is received or to convert the currency at a freely determined market rate could be limited by governmental actions.

**Payments in U.S. Dollars.** The terms of any Non-U.S. Dollar-Denominated Securities may provide that we may have the right to make a payment in U.S. dollars instead of the specified currency, if at or about the time when the payment

on the Non-U.S. Dollar-Denominated Securities comes due, the specified currency is subject to convertibility, transferability, market disruption, or other conditions affecting its availability because of circumstances beyond our control. These circumstances could include the imposition of exchange controls or our inability to obtain the specified currency because of a disruption in the currency markets for the specified currency. The exchange rate used to make payment in U.S. dollars may be based on limited information and would involve significant discretion on the part of our exchange rate agent. As a result, the value of the payment in U.S. dollars

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may be less than the value of the payment you would have received in the specified currency if the specified currency had been available. The exchange rate agent will generally not have any liability for its determinations.

**Court Judgments.** Any Non-U.S. Dollar-Denominated Securities typically will be governed by New York law. Under Section 27 of the New York Judiciary Law, a state court in the State of New York rendering a judgment on the Non-U.S. Dollar-Denominated Debt Securities would be required to render the judgment in the specified currency. In turn, the judgment would be converted into U.S. dollars at the exchange rate prevailing on the date of entry of the judgment. Consequently, in a lawsuit for payment on the Non-U.S. Dollar-Denominated Securities, you would bear currency exchange risk until judgment is entered, which could be a long time.

In courts outside of New York, you may not be able to obtain judgment in a specified currency other than U.S. dollars. For example, a judgment for money in an action based on Non-U.S. Dollar-Denominated Securities in many other U.S. federal or state courts ordinarily would be enforced in the United States only in U.S. dollars. The date used to determine the rate of conversion of the specified currency into U.S. dollars will depend on various factors, including which court renders the judgment.

**Information About Foreign Currency Exchange Rates.** If we issue a Non-U.S. Dollar-Denominated Security, we may include in the applicable supplement information about historical exchange rates for the relevant non-U.S. dollar currency or currencies. Any information about exchange rates that we may provide will be furnished as a matter of information only, and you should not regard the information as indicative of the range of, or trends in, fluctuations in currency exchange rates that may occur in the future.

## DESCRIPTION OF THE NOTES AND THE GUARANTEES

This section describes the general terms and conditions of the notes, which are our senior unsecured obligations, and the guarantees endorsed thereon. This section supplements, and should be read together with, the general description of our debt securities included in “Description of Debt Securities” in the accompanying prospectus. If there is any inconsistency between the information in this prospectus supplement and the accompanying prospectus, you should rely on the information in this prospectus supplement.

We will describe the particular terms of the notes we sell in a separate supplement. The terms and conditions stated in this section will apply to each note unless the note or the applicable supplement indicates otherwise.

### General

The following summary of the terms of the notes and the indenture is not complete and is qualified in its entirety by reference to the actual notes and the specific provisions of the indenture (as defined below), as applicable.

We will issue senior unsecured medium-term notes under a senior debt securities indenture dated as of January 21, 2011 among us, LBG, as guarantor, and The Bank of New York Mellon, acting through its London branch, as trustee (the “trustee”), as supplemented by the first supplemental indenture dated as of June 6, 2011 among us, LBG, as guarantor and the trustee. We refer to such senior debt securities indenture, as supplemented by such first supplemental indenture and as may be supplemented or amended from time to time as the “indenture.”

The notes will constitute a single series of debt securities under the indenture, together with any notes that we issue in the future under the indenture that we designate as being part of that series.

The indenture is subject to, and governed by, the Trust Indenture Act of 1939, as amended. We, LBG and the selling agents, in the ordinary course of our respective businesses, have conducted and may conduct business with the trustee or its affiliates. See “Description of Debt Securities” in the accompanying prospectus for more information about the indenture and the functions of the trustee.

The notes are our direct unsecured obligations and are not obligations of our subsidiaries. The notes are being offered on a continuous basis. There is no limit under our registration statement on the total initial public offering price or aggregate principal amount of the notes that may be offered using this prospectus supplement. We may issue other debt securities under the indenture from time to time in one or more series up to the aggregate principal amount of the then-existing grant of authority by our board of directors.

Unless otherwise provided in the applicable supplement, the minimum denomination of the notes will be \$1,000 and any larger amount that is a whole multiple of \$1,000 (or the equivalent in other currencies).

Specific Terms of the Notes. The applicable supplement(s) for each offering of notes will contain additional terms of the offering and a specific description of those notes, including:

- the specific designation of the notes;
- the issue price;
- the aggregate principal amount;
- the original issue date;

- the maturity date, and any terms providing for the extension or postponement of the maturity date;
  - the denominations or minimum denominations, if other than \$1,000;
- the currency or currencies, if not U.S. dollars, in which payments will be made on the notes;

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- whether the note is a fixed-rate note, a floating-rate note, an indexed note, an original discount note or a combination thereof;
- the method of determining and paying interest, including any applicable interest rate basis or bases, any initial interest rate, any interest reset dates, any payment dates, any index maturity, and any maximum or minimum rate of interest;
  - whether interest will be payable in cash or in kind;
  - any spread or spread multiplier applicable to a floating-rate note or an indexed note;
- the method for the calculation and payment of principal, premium (if any), interest, and other amounts payable (if any);
- for exchangeable notes, the securities, or other property for which the notes may be exchanged, the rate of exchange, whether the notes are exchangeable at your option or our option, and other terms of the exchangeable notes;
- if applicable, the circumstances under which the note may be redeemed at our option or repaid at your option prior to the maturity date set forth on the face of the note, including any repayment date, redemption commencement date, redemption price, and redemption period;
- if applicable, the circumstances under which the maturity date set forth on the face of the note may be extended at our option or renewed at your option, including the extension or renewal periods and the final maturity date;
  - whether the notes will be listed on any stock exchange; and
- if applicable, any other material terms of the note which are different from those described in this prospectus supplement and the accompanying prospectus.

## Types of Notes

### Fixed-Rate Notes

**General.** We may issue notes that bear interest at one or more fixed rates of interest, as specified in the applicable supplement. We refer to these as “fixed-rate notes.” Unless we specify otherwise in the applicable supplement, each fixed-rate note will bear interest from its original issue date or from the most recent date to which interest on the note has been paid or made available for payment. Interest will accrue on the principal of a fixed-rate note at the fixed annual rate stated in the applicable supplement, until the principal is paid or made available for payment or the note is converted or exchanged.

Unless we specify otherwise in the applicable supplement, we will pay interest on any fixed-rate note quarterly, semi-annually, or annually, as applicable, in arrears, on the days set forth in the applicable supplement (each such day being an “interest payment date”) and at maturity. Unless we otherwise specify in the applicable supplement, each interest payment due on an interest payment date or the maturity date will include interest accrued from and including the most recent interest payment date to which interest has been paid, or, if no interest has been paid, from the original issue date, to but excluding the next interest payment date or the maturity date, as the case may be. Unless we specify otherwise in the applicable supplement, interest on fixed-rate notes will be computed and paid on the basis of a 360-day year consisting of twelve 30-day months. We will make payments on fixed-rate notes as described below

under the heading “—Payment of Principal, Interest and Other Amounts Due.”

Amortizing Notes. We also may issue amortizing notes, which are fixed-rate notes for which combined principal and interest payments are made in installments over the life of the debt security. Payments on amortizing notes are applied first to interest due and then to the reduction of the unpaid principal amount. The supplement for an amortizing note will include a table setting forth repayment information.

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## Floating-Rate Notes

General. We may issue notes that will bear interest at a floating rate of interest determined by reference to one or more interest rate bases, or by reference to one or more interest rate formulae, referred to as the “base rate.” We refer to these notes as “floating-rate notes.” The base rate may be one or more of the following:

- the CD rate;
- the CMS rate;
- the CMT rate;
- the commercial paper rate;
- the federal funds rate;
- LIBOR;
- EURIBOR;
- the prime rate;
- the treasury rate; or
- such other interest rate basis or bases or interest rate formula as may be specified in the applicable supplement.

The interest rate for a floating-rate note will be determined by reference to:

- the specified base rate based on the index maturity;
- plus or minus the spread, if any; and/or
- multiplied by the spread multiplier, if any.

For any floating-rate note, the “index maturity” is the period to maturity of the instrument for which the base rate is calculated and will be specified in the applicable supplement. The “spread” is the number of basis points we specify on the floating-rate note to be added to or subtracted from the base rate. The “spread multiplier” is the percentage we may specify on the floating-rate note by which the base rate is multiplied in order to calculate the applicable interest rate.

A floating-rate note also may be subject to:

- a maximum interest rate limit, or cap, on the interest that may accrue during any interest period;
- a minimum interest rate limit, or floor, on the interest that may accrue during any interest period; or
- both.

Unless we specify otherwise in the applicable supplement, each floating-rate note will bear interest from its original issue date or from the most recent date to which interest on the note has been paid or made available for payment.

Interest will accrue on the principal of a floating-rate note at the annual rate determined according to the interest rate formula stated in the applicable supplement, until the principal is paid or made available for payment. Unless we specify otherwise in the applicable supplement, we will pay interest on any floating-rate note monthly, quarterly, semi-annually, or annually, as applicable, in arrears, on the days set forth in the applicable supplement. Unless we specify otherwise in the applicable supplement, each interest payment due on an interest payment date or the maturity date will include interest accrued from and including the most recent interest payment date to which interest has been paid, or, if no interest has been paid, from the original issue date, to but excluding the next interest

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payment date or the maturity date, as the case may be. We will make payments on floating-rate notes as described below under the heading “—Payment of Principal, Interest and Other Amounts Due.”

**How Interest Is Reset.** The interest rate in effect from the date of issue to the first interest reset date for a floating-rate note will be the initial interest rate determined as described in the applicable supplement. The interest rate of each floating-rate note may be reset daily, weekly, monthly, quarterly, semi-annually, or annually, as we specify in the applicable supplement. We refer to the period during which an interest rate is effective as an “interest period,” and the first day of each interest period as the “interest reset date.”

The “interest determination date” for any interest reset date is the day the calculation agent will refer to when determining the new interest rate at which a floating rate will reset. Unless we specify otherwise in the applicable supplement, the interest determination date for an interest reset date will be:

- for a CD rate note, a commercial paper rate note and a CMS rate note, the second business day preceding the interest reset date;
- for a federal funds rate note or a prime rate note, the business day immediately preceding the interest reset date;
- for a LIBOR note, the second London Banking Day (as defined below) preceding the interest reset date unless the index currency is pounds sterling, in which case the interest determination date will be the interest reset date;
- for a EURIBOR note, the second TARGET Settlement Date (as defined below) preceding the interest reset date;
- for a treasury rate note, the day of the week in which the interest reset date falls on which Treasury Bills (as described below) of the applicable index maturity would normally be auctioned; and
- for a floating-rate note with two or more base rates, the interest determination date will be the most recent business day that is at least two business days prior to the applicable interest reset date on which each applicable base rate is determinable. Each base rate will be determined as of such date, and the applicable base rate will take effect on the applicable interest reset date.

Treasury Bills are usually sold at auction on Monday of each week, unless that day is a legal holiday, in which case the auction is usually held on the following Tuesday, except that the auction may be held on the preceding Friday. If, as a result of a legal holiday, an auction is held on the preceding Friday, that preceding Friday will be the interest determination date pertaining to the interest reset date occurring in the next succeeding week. The treasury rate will be determined as of that date, and the applicable interest rate will take effect on the applicable interest reset date.

We will specify the interest reset dates in the applicable supplement. If any interest reset date (other than the maturity date) for any floating-rate note falls on a day that is not a business day for the floating-rate note, the interest reset date for the floating-rate note will be postponed to the next day that is a business day for the floating-rate note. If Treasury Bills are sold at an auction that falls on a day that is an interest reset date, that interest reset date will be the next following business day. However, unless we specify otherwise in the applicable supplement, in the case of a LIBOR note or a EURIBOR note, if the next business day is in the next succeeding calendar month, the interest reset date will be the immediately preceding business day. If the maturity date falls on a day that is not a business day, we will make the required payment on the next business day and no additional interest will accrue.

**Calculation of Interest.** Calculations relating to floating-rate notes will be made by the calculation agent, which will be an institution that we appoint as our agent for this purpose and which will be specified in the applicable supplement. We will identify in the applicable supplement the calculation agent we have appointed for a particular series of notes

as of its original issue date. We may appoint different calculation agents from time to time after the original issue date of a floating-rate note without your consent and without notifying you of the change. Absent manifest error, all determinations of the calculation agent will be final and binding on you, the trustee and us.

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For each floating-rate note, the calculation agent will determine, on the corresponding calculation or interest determination date, the interest rate for the applicable interest period. In addition, the calculation agent will calculate the amount of interest that has accrued during each interest period. Unless we specify otherwise in the applicable supplement, the calculation date for any interest determination date will be the date by which the calculation agent computes the amount of interest owed on a floating-rate note for the related interest period. Unless we specify otherwise in the applicable supplement, the calculation date pertaining to an interest determination date will be the earlier of:

- the tenth calendar day after that interest determination date or, if that day is not a business day, the next succeeding business day; or
- the business day immediately preceding the applicable interest payment date, the maturity date, or the date of redemption or prepayment, as the case may be.

Accrued interest on a floating-rate note is calculated by multiplying the principal amount of a note by an accrued interest factor. This accrued interest factor is the sum of the interest factors calculated for each day in the period for which accrued interest is being calculated. Unless we specify otherwise in the applicable supplement, the accrued interest factor will be computed and interest will be paid (including payments for partial periods) as follows:

- for federal funds rate notes, LIBOR notes, EURIBOR notes, prime rate notes, or any other floating-rate notes other than treasury rate notes, the daily interest factor will be computed by dividing the interest rate in effect on that day by 360; and
- for treasury rate notes, the daily interest factor will be computed by dividing the interest rate in effect on that day by 365 or 366, as applicable.

All amounts used in or resulting from any calculation on floating-rate notes will be rounded to the nearest cent, in the case of U.S. dollars, or to the nearest corresponding hundredth of a unit, in the case of a currency other than U.S. dollars, with one-half cent or one-half of a corresponding hundredth of a unit or more being rounded upward. Unless we specify otherwise in the applicable supplement, all percentages resulting from any calculation with respect to a floating-rate note will be rounded, if necessary, to the nearest one hundred-thousandth of a percent, with five one-millionths of a percentage point rounded upwards, e.g., 9.876545% (or .09876545) being rounded to 9.87655% (or .0987655).

In determining the base rate that applies to a floating-rate note during a particular interest period, the calculation agent may obtain rate quotes from various banks or dealers active in the relevant market, as described in the descriptions of the base rates below and/or in the applicable supplement. Those reference banks and dealers may include the calculation agent itself and its affiliates, as well as any underwriter, dealer, or agent participating in the distribution of the relevant floating-rate notes and its affiliates, and they may include our affiliates.

At the request of the holder of any floating-rate note, the calculation agent will provide the interest rate then in effect for that floating-rate note and, if already determined, the interest rate that is to take effect on the next interest reset date.

#### CD rate notes

Each CD rate note will bear interest at the CD rate, adjusted by any spread or spread multiplier, as specified in the applicable supplement. Unless otherwise specified in the applicable supplement, "CD rate" means, with respect to any interest determination date relating to a CD rate note, the rate on such date for negotiable U.S. dollar certificates of

deposit having the index maturity specified in the applicable supplement as published in H.15(519) (as defined below), under the heading “CDs (secondary market)” or, if not so published by 3:00 p.m., New York City time on the related calculation date, the rate on such interest determination date for negotiable U.S. dollar certificates of deposit of the index maturity specified in the applicable supplement as published in H.15 Daily Update (as defined below), or such other recognised electronic source used for the purpose of displaying such rate, under the caption “CDs (secondary market)”. If such rate is not yet published in H.15(519), H.15 Daily Update or another recognised electronic source by 3:00 p.m. New York City time on the related calculation date, then the CD

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rate on such Interest determination date will be calculated by the calculation agent (as specified in the applicable supplement) and will be the arithmetic mean of the secondary market offered rates as of 10:00 a.m. New York City time on such interest determination date, of three leading non-bank dealers in negotiable U.S. dollar certificates of deposit in New York City (which may include the selling agents or their affiliates) selected by the calculation agent (after consultation with us) for negotiable U.S. dollar certificates of deposit of major U.S. money centre banks with a remaining maturity closest to the index maturity specified in the applicable supplement in an amount that is representative for a single transaction in that market at that time; provided, however, that if the dealers so selected by the calculation agent are not quoting as mentioned in this sentence, the CD rate determined as of such interest determination date will be the CD rate in effect on such interest determination date, or, if no CD rate was in effect on such interest determination date, the rate on such CD rate note for the following interest period shall be the initial interest rate.

“H.15(519)” means the weekly statistical release designated as such published by the Board of Governors of the Federal Reserve System (the “Board of Governors”), or its successor, available through the website of the Board of Governors at <http://www.federalreserve.gov/releases/h15/>, or any successor site or publication.

“H.15 Daily Update” means the daily update designated as such published by the Board of Governors, or its successor, available through the website of the Board of Governors at <http://www.federalreserve.gov/releases/h15/update/hl5upd.htm>, or any successor site or publication.

#### CMS rate notes

Each CMS rate note will bear interest at the CMS rate, adjusted by any spread or spread multiplier, as specified in the applicable supplement. Unless otherwise specified in the applicable supplement, “CMS rate” means, with respect to any interest determination date relating to a CMS rate note, the rate for U.S. dollar swaps with a maturity for a specified number of years, expressed as a percentage in the applicable supplement, which appears on Reuters ISDAFIX1 Page (the “ISDAFIX1 Page”) as of 11:00 a.m., New York City time, on the related interest determination date.

The following procedures will be used if the CMS rate cannot be determined as described above:

- (1) If the above rate is no longer displayed on the ISDAFIX1 Page, or if not displayed by 11:00 a.m., New York City time, on the interest determination date, then the CMS rate will be the rate for U.S. dollar swaps with a maturity of the notes designated in the applicable supplement, expressed as a percentage, which appears on the ISDAFIX1 Page as of 11:00 a.m., New York City time, on the interest determination date.
- (2) If that information is no longer displayed by 11:00 a.m., New York City time, on the interest determination date, then the CMS rate will be a percentage determined on the basis of the mid-market, semi-annual swap rate quotations provided by five leading swap dealers in the New York City interbank market at approximately 11:00 a.m., New York City time, on the interest determination date. For this purpose, the semi-annual swap rate means the mean of the bid and offered rates for the semi-annual fixed leg, calculated on a 30/360 day count basis, of a fixed-for-floating U.S. dollar interest rate swap transaction with a term equal to the maturity of the notes designated in the applicable supplement commencing on that interest determination date with an acknowledged dealer of good credit in the swap market, where the floating leg, calculated on an Actual/360 day count basis, is equivalent to the rate for deposits in U.S. dollars with a maturity of three months which appears on Reuters (or any successor service) on the LIBOR01 page (or any other page as may replace such page on such service). The calculation agent will select the five swap dealers after consultation with us and will request the principal New York City office of each of those dealers to provide a quotation of its rate. If at least three quotations are provided, the CMS rate for that interest determination date will be the arithmetic mean of the quotations, eliminating the highest and lowest quotations or, in the event of equality, one of the highest and one of the lowest quotations.

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- (3) If fewer than three leading swap dealers selected by the calculation agent are quoting as described above, the CMS rate will remain the CMS rate in effect on that interest determination date or, if that interest determination date is the first interest determination date, the initial interest rate.

#### CMT rate notes

Each CMT rate note will bear interest at the CMT rate, adjusted by any spread or spread multiplier, as specified in the applicable supplement. Unless otherwise specified in the applicable supplement, "CMT rate" means, with respect to any interest determination date relating to a CMT rate note:

- (1) if the Reuters FRBCMT Page (as defined below) is specified in the applicable supplement as the designated CMT Reuters page:
- (a) the percentage equal to the yield for United States Treasury securities at "constant maturity" having the Designated CMT Maturity Index (as defined below) specified in the applicable supplement as published in H.15(519) under the caption "Treasury Constant Maturities", as the yield is displayed on Reuters (or any successor service) on page FRBCMT (or any other page as may replace the specified page on that service) ("FRBCMT Page"), on such interest determination date, or
- (b) if the rate referred to in clause (a) does not so appear on the FRBCMT Page, the percentage equal to the yield for United States Treasury securities at "constant maturity" having the particular Designated CMT Maturity Index and for such interest determination date as published in H.15(519) under the caption "Treasury Constant Maturities", or
- (c) if the rate referred to in clause (b) does not so appear in H.15(519), the rate on such interest determination date for the period of the particular Designated CMT Maturity Index as may then be published by either the Board of Governors or the United States Department of the Treasury that the calculation agent (as specified in the applicable supplement) determines to be comparable to the rate which would otherwise have been published in H.15(519), or
- (d) if the rate referred to in clause (c) is not so published, the rate on such interest determination date calculated by the calculation agent as a yield to maturity based on the arithmetic mean of the secondary market bid prices at approximately 3:30 p.m., New York City time, on that interest determination date of three leading primary United States government securities dealers in New York City (which may include the selling agents or their affiliates) (each, a "Reference Dealer"), selected by the calculation agent (after consultation with us) from five Reference Dealers so selected by the calculation agent and eliminating the highest quotation, or, in the event of equality, one of the highest, and the lowest quotation or, in the event of equality, one of the lowest, for United States Treasury securities with an original maturity equal to the particular Designated CMT Maturity Index, a remaining term to maturity no more than one year shorter than that Designated CMT Maturity Index and in a principal amount that is representative for a single transaction in the securities in that market at that time, or
- (e) if fewer than five but more than two of the prices referred to in clause (d) are provided as requested, the rate on such interest determination date calculated by the calculation agent based on the arithmetic mean of the bid prices obtained and neither the highest nor the lowest of the quotations shall be eliminated, or
- (f) if fewer than three prices referred to in clause (d) are provided as requested, the rate on such interest determination date calculated by the calculation agent as a yield to maturity based on the arithmetic mean of the secondary market bid prices as of approximately 3:30 p.m., New York City time, on that interest determination date of three Reference Dealers selected by the calculation agent (after consultation with us) from five Reference Dealers so selected by the calculation agent and eliminating the highest quotation or, in the event of equality, one of the

highest and the lowest quotation or, in the event of equality, one of the lowest, for United States Treasury securities with an original maturity greater than the particular Designated CMT Maturity Index, a remaining term to maturity closest to that Designated CMT Maturity Index and in a principal amount that is representative for a single transaction in the securities in that market at that time, or

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States Treasury securities with an original maturity greater than the particular Designated CMT Maturity Index, a remaining term to maturity closest to that Designated CMT Maturity Index and in a principal amount that is representative for a single transaction in the securities in that market at that time, or

- (g) if fewer than five but more than two prices referred to in clause (f) are provided as requested, the rate on such interest determination date calculated by the calculation agent based on the arithmetic mean of the bid prices obtained and neither the highest nor the lowest of the quotations will be eliminated, or
- (h) if fewer than three prices referred to in clause (f) are provided as requested, the CMT rate in effect on such interest determination date, provided that if no CMT rate was in effect on such interest determination date, the rate on such CMT rate note for the following interest period shall be the initial interest rate.
- (2) if the Reuters FEDCMT Page (as defined below) is specified in the applicable supplement as the designated CMT Reuters page:
  - (a) the percentage equal to the one-week average yield for United States Treasury securities at “constant maturity” having the Designated CMT Maturity Index specified in the applicable supplement as published in H.15(519) under the caption “Week Ending” and opposite the caption “Treasury Constant Maturities”, as the yield is displayed on Reuters (or any successor service) (on page FEDCMT or any other page as may replace the specified page on that service) (“FEDCMT Page”), for the week preceding the week in which such interest determination date falls, or
  - (b) if the rate referred to in clause (a) does not so appear on the FEDCMT Page, the percentage equal to the one-week average yield for United States Treasury securities at “constant maturity” having the particular Designated CMT Maturity Index and for the week preceding such interest determination date as published in H.15(519) under the caption “Week Ending” and opposite the caption “Treasury Constant Maturities,” or
  - (c) if the rate referred to in clause (b) does not so appear in H.15(519), the one-week average yield for United States Treasury securities at “constant maturity” having the particular Designated CMT Maturity Index as otherwise announced by the Federal Reserve Bank of New York for the week preceding the week in which such interest determination date falls, or
  - (d) if the rate referred to in clause (c) is not so published, the rate on such interest determination date calculated by the calculation agent as a yield to maturity based on the arithmetic mean of the secondary market bid prices at approximately 3:30 p.m., New York City time, on that interest determination date of three Reference Dealers selected by the calculation agent (after consultation with us) from five Reference Dealers so selected by the calculation agent and eliminating the highest quotation, or, in the event of equality, one of the highest, and the lowest quotation or, in the event of equality, one of the lowest, for United States Treasury securities with an original maturity equal to the particular Designated CMT Maturity Index, a remaining term to maturity no more than one year shorter than that Designated CMT Maturity Index and in a principal amount that is representative for a single transaction in the securities in that market at that time, or
  - (e) if fewer than five but more than two of the prices referred to in clause (d) are provided as requested, the rate on such interest determination date calculated by the calculation agent based on the arithmetic mean of the bid prices obtained and neither the highest nor the lowest of the quotations shall be eliminated, or
  - (f) if fewer than three prices referred to in clause (d) are provided as requested, the rate on such interest determination date calculated by the calculation agent as a yield to maturity based on



the arithmetic mean of the secondary market bid prices as of approximately 3:30 p.m., New York City time, on that interest determination date of three Reference Dealers selected by the calculation agent (after consultation with us) from five Reference Dealers so selected by the calculation agent and eliminating the highest quotation or, in the event of equality, one of the highest and the lowest quotation or, in the event of equality, one of the lowest, for United States Treasury securities with an original maturity greater than the particular Designated CMT Maturity Index, a remaining term to maturity closest to that Designated CMT Maturity Index and in a principal amount that is representative for a single transaction in the securities in that market at the time, or

(g) if fewer than five but more than two prices referred to in clause (f) are provided as requested, the rate on such interest determination date calculated by the calculation agent based on the arithmetic mean of the bid prices obtained and neither the highest nor the lowest of the quotations will be eliminated, or

(h) if fewer than three prices referred to in clause (f) are provided as requested, the CMT rate in effect on that interest determination date, provided that if no CMT rate was in effect on such interest determination date, the rate on such CMT rate note for the following interest reset period shall be the initial interest rate.

If two United States Treasury securities with an original maturity greater than the Designated CMT Maturity Index specified in the applicable supplement have remaining terms to maturity equally close to the particular Designated CMT Maturity Index, the quotes for the United States Treasury security with the shorter original remaining term to maturity will be used.

“Designated CMT Maturity Index” means the original period to maturity of the U.S. Treasury securities (either 1, 2, 3, 5, 7, 10, 20 or 30 years) specified in the applicable supplement with respect to which the CMT rate will be calculated.

#### Commercial paper rate notes

Each commercial paper rate note will bear interest at the commercial paper rate, adjusted by any spread or spread multiplier as specified in the applicable supplement. Unless otherwise specified in the applicable supplement, “commercial paper rate” means, with respect to any interest determination date relating to a commercial paper rate note, the Money Market Yield (as defined below) on such date of the rate for commercial paper having the index maturity specified in the applicable supplement as published in H.15(519) under the caption “Commercial Paper — Nonfinancial” or, if not so published by 5:00 p.m., New York City time, on the day that is one New York City Banking Day (as defined below) following the interest reset date pertaining to such interest determination date, the Money Market Yield on such interest determination date for commercial paper having the index maturity specified in the applicable supplement as published in H.15 Daily Update, or such other recognised electronic source used for the purpose of displaying such rate, under the caption “Commercial Paper — Nonfinancial”. If such rate is not yet published in H.15(519), the H.15 Daily Update or another recognised electronic source by 5:00 p.m. New York City time on the day that is one New York City Banking Day (as defined below) following the interest reset date pertaining to such interest determination date, then the commercial paper rate on such interest determination date will be calculated by the calculation agent and will be the Money Market Yield of the arithmetic mean of the offered rates at approximately 11:00 a.m., New York City time on such interest determination date of three leading dealers of U.S. dollar commercial paper in New York City (which may include the selling agents or their affiliates) selected by the calculation agent (after consultation with us) for U.S. dollar commercial paper having the index maturity specified in the applicable supplement placed for industrial issuers whose bond rating is “Aa”, or the equivalent, from a nationally recognised statistical rating organisation; provided, however, that if the dealers so selected by the calculation agent are not quoting as mentioned in this sentence, the commercial paper rate determined as of such interest determination date will be the commercial paper rate in effect on such interest determination date, or, if no commercial paper rate was in effect on such interest determination date, the rate on such commercial paper rate note for the following interest reset period shall be the initial interest rate.

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“Money Market Yield” means a yield (expressed as a percentage) calculated in accordance with the following formula:

$$\text{Money Market Yield} = \frac{D \times 360}{360 - (D \times M)}$$

where “D” refers to the applicable per annum rate for commercial paper quoted on a bank discount basis and expressed as a decimal, and “M” refers to the actual number of days in the applicable interest reset period.

“New York City Banking Day” means any day on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in The City of New York.

#### Federal funds rate notes

Each federal funds rate note will bear interest at the federal funds rate, adjusted by any spread or spread multiplier, as specified in the applicable supplement. Unless otherwise specified in the applicable supplement, “federal funds rate” means, with respect to any interest determination date relating to a federal funds rate note, the rate on such date for U.S. dollar federal funds as published in H.15(519) opposite the heading “Federal Funds (Effective)”, as such rate is displayed on Reuters (or any successor service) on page FEDFUNDS 1 (or any other page as may replace such page) (“Reuters Page FEDFUNDS 1”), or, if such rate does not appear on Reuters Page FEDFUNDS 1 or is not so published by 5:00 p.m., New York City time, on the related calculation date, the rate on such interest determination date for U.S. dollar federal funds as published in H.15 Daily Update, or such other recognised electronic source used for the purpose of displaying such rate, under the caption “Federal Funds (Effective)”. If such rate does not appear on Reuters Page FEDFUNDS 1 or is not yet published in H.15(519), H.15 Daily Update or another recognised electronic source by 5:00 p.m. New York City time on the related calculation date, then the federal funds rate on such interest determination date will be calculated by the calculation agent and will be the arithmetic mean of the rates for the last transaction in overnight U.S. dollar federal funds arranged by three leading brokers of U.S. dollar federal funds transactions in New York City (which may include the selling agents or their affiliates) selected by the calculation agent (after consultation with us) prior to 9:00 a.m., New York City time, on such interest determination date; provided, however, that if the brokers so selected by the calculation agent are not quoting as mentioned in this sentence, the federal funds rate determined as of such interest determination date will be the federal funds rate in effect on such interest determination date, or, if no federal funds rate was in effect on such interest determination date, the rate on such federal funds rate note for the following interest reset period shall be the initial interest rate.

#### LIBOR notes

LIBOR Notes. Each LIBOR note will bear interest at the LIBOR base rate, adjusted by any spread or spread multiplier, as specified in the applicable supplement. Unless otherwise specified in the applicable supplement, “LIBOR” means the rate determined in accordance with the following:

- (i) With respect to any interest determination date relating to a LIBOR note, LIBOR will be the rate for deposits in the Designated LIBOR Currency (as defined below) for a period of the index maturity specified in such supplement commencing on the applicable interest reset date, that appears on the Designated LIBOR Page (as defined below) as of 11:00 a.m., London time, on such interest determination date, or if no such rate so appears, LIBOR on such interest determination date will be determined in accordance with the provisions described in clause (ii) below.
- (ii) With respect to an interest determination date on which no rate appears on the Designated LIBOR Page as specified in clause (i) above, the calculation agent (as specified in the applicable supplement) will request the principal London offices of each of four major reference banks (which may include the selling agents or their affiliates) in the London interbank market, as selected by the calculation agent (after consultation with us), to

provide the calculation agent with its offered quotation for deposits in the Designated LIBOR Currency for the period of the index maturity specified in the applicable supplement, commencing on the applicable interest reset date, to prime banks in the London interbank market at approximately 11:00 a.m., London time, on such interest determination date and in a

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principal amount that is representative for a single transaction in the Designated LIBOR Currency in such market at such time. If at least two such quotations are so provided, then LIBOR on such interest determination date will be the arithmetic mean of such quotations. If fewer than two such quotations are so provided, then LIBOR on such interest determination date will be the arithmetic mean of the rates quoted at approximately 11:00 a.m., in the applicable principal financial center, on such interest determination date by three major banks (which may include the selling agents or their affiliates) in such principal financial centre selected by the calculation agent (after consultation with us) for loans in the Designated LIBOR Currency to leading European banks, having the index maturity specified in the applicable supplement, commencing on that interest reset date and in a principal amount that is representative for a single transaction in the Designated LIBOR Currency in such market at such time; provided, however, that if the banks so selected by the calculation agent are not quoting as mentioned in this sentence, LIBOR determined as of such interest determination date will be LIBOR in effect on such interest determination date or, if no LIBOR rate was in effect on such interest determination date, the rate on such LIBOR note for the following interest reset period shall be the initial interest rate.

“Designated LIBOR Currency” means the currency specified in the applicable supplement as to which LIBOR shall be calculated or, if no such currency is specified in the applicable supplement, U.S. dollars.

“Designated LIBOR Page” means the display on the page specified in the applicable supplement for the purpose of displaying the London interbank rates of major banks for the Designated LIBOR Currency, provided, however, if no such page is specified in the applicable supplement, the display on Reuters (or any successor service) on the LIBOR01 page (or any other page as may replace such page on such service) shall be used for the purpose of displaying the London interbank rates of major banks for the Designated LIBOR Currency.

#### EURIBOR notes

Each EURIBOR note will bear interest at the EURIBOR base rate, adjusted by any spread or spread multiplier, as specified in the applicable supplement.

Unless otherwise specified in the applicable supplement, “EURIBOR” means the rate determined in accordance with the following provisions:

- (i) With respect to any interest determination date relating to a EURIBOR note EURIBOR will be the rate for deposits in euro for a period of the index maturity as specified in such supplement commencing on the applicable interest reset date, that appears on the Designated EURIBOR Page (as defined below) as of 11:00 a.m., Brussels time, on such interest determination date; or if no such rate so appears, EURIBOR on such interest determination date will be determined in accordance with the provisions described in clause (ii) below.
- (ii) With respect to an interest determination date on which no rate appears on the Designated EURIBOR Page (as defined below) as specified in clause (i) above, the calculation agent (as specified in the applicable supplement) will request the principal Euro-zone (as defined below) office of each of four major reference banks (which may include the selling agents or their affiliates) in the Euro-zone interbank market, as selected by the calculation agent (after consultation with us), to provide the calculation agent with its offered quotation for deposits in euro for the period of the index maturity specified in the applicable supplement commencing on the applicable interest reset date, to prime banks in the Euro-zone interbank market at approximately 11:00 a.m., Brussels time, on such EURIBOR interest determination date and in a principal amount that is representative for a single transaction in euro in such market at such time. If at least two such quotations are so provided, then EURIBOR on such interest determination date will be the arithmetic mean of such quotations. If fewer than two such quotations are so provided, then EURIBOR on such interest determination date will be the arithmetic mean of the rates quoted at approximately 11:00 a.m., Brussels time, on such interest determination date by three major banks (which may

include the selling agents or their affiliates) in the Euro-zone selected by the calculation agent (after consultation with us) for loans in euro to leading European banks, having the index maturity specified in the applicable supplement commencing on that interest reset date and in a principal amount that is representative for a single transaction in euro in

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such market at such time; provided, however, that if the banks so selected by the calculation agent are not quoting as mentioned in this sentence, EURIBOR determined as of such interest determination date will be EURIBOR in effect on such interest determination date, or, if no EURIBOR was in effect on such interest determination date, the rate on such EURIBOR note for the following interest reset period shall be the initial interest rate.

“Designated EURIBOR Page” means the display on the page specified in the applicable supplement for the purpose of displaying the Euro-zone interbank rates of major banks for the euro; provided, however, if no such page is specified in the applicable supplement, the display on Reuters (or any successor service) on the EURIBOR01 page (or any other page as may replace such page on such service) shall be used.

“Euro-zone” means the region comprised of member states of the EU that have adopted the single currency in accordance with the relevant treaty of the EU, as amended.

#### Prime rate notes

Each prime rate note will bear interest at the prime rate, adjusted by any spread or spread multiplier, as specified in the applicable supplement. Unless otherwise specified in the applicable supplement, “prime rate” means, with respect to any interest determination date relating to a prime rate note, the rate on such date as such rate is published in H.15(519) opposite the caption “Bank Prime Loan” or, if not published by 5:00 p.m., New York City time, on the day that is one New York City Banking Day following the interest reset date pertaining to such interest determination date, the rate on such interest determination date as published in H.15 Daily Update, or such other recognised electronic source used for the purpose of displaying such rate, opposite the caption “Bank Prime Loan”. If such rate is not yet published in H.15(519), H.15 Daily Update or another recognised electronic source by 5:00 p.m. New York City time on the day that is one New York City Banking Day following the interest reset date pertaining to such interest determination date, then the prime rate shall be the arithmetic mean, as determined by the calculation agent (as specified in the applicable supplement), of the rates of interest publicly announced by three major banks (which may include the selling agents or their affiliates) in New York City selected by the calculation agent (after consultation with us) as the U.S. dollar prime rate or base lending rate in effect for such interest determination date. (Each change in the prime rate or base lending rate of any bank so announced by such bank will be effective as of the effective date of the announcement or, if no effective date is specified, as of the date of the announcement.) If fewer than three major banks (which may include the selling agents or their affiliates) so selected in New York City have publicly announced a U.S. dollar prime rate or base lending rate for such interest determination date, the prime rate with respect to such interest determination date shall be the rate in effect on such interest determination date, or, if no prime rate was in effect on such interest determination date, the rate on such prime rate note for the following interest reset period shall be the initial interest rate.

“New York City Banking Day” means any day on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in The City of New York.

#### Treasury rate notes

Each treasury rate note will bear interest at the treasury rate, adjusted by any spread or spread multiplier, as specified in the applicable supplement.

Unless otherwise specified in the applicable supplement, “treasury rate” means, with respect to any interest determination date relating to a treasury rate note, the rate from the auction held on such interest determination date (the “Auction”) of direct obligations of the United States (“Treasury Bills”) having the index maturity specified in the applicable supplement under the caption “INVEST RATE” on the display on Reuters (or any successor service) on page USAUCTION10 (or any other page as may replace such page) (“Reuters Page USAUCTION10”) or page

USAUCTION11 (or any other page as may replace such page) (“Reuters Page USAUCTION11”) or, if not so published by 3:00 p.m., New York City time, on the related calculation date, the Bond Equivalent Yield (as defined below) of the rate for such Treasury Bills as published in H.15 Daily Update, or such other recognised electronic source used for the purpose of displaying such rate, under the caption “U.S. Government Securities/Treasury Bills/Auction High” or, if not so published by 3:00 p.m., New York City time, on the related calculation date, the Bond Equivalent Yield of the auction rate of such Treasury Bills as announced by the U.S. Department of the

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Treasury. In the event that the auction rate of Treasury Bills having the index maturity specified in the applicable supplement is not so announced by the U.S. Department of the Treasury, or if no such Auction is held, then the treasury rate will be the Bond Equivalent Yield (as defined below) of the rate on such interest determination date of Treasury Bills having the index maturity specified in the applicable supplement as published in H.15(519) under the caption “U.S. Government Securities/Treasury Bills/Secondary Market” or, if not yet published by 3:00 p.m., New York City time, on the related calculation date, the rate on such interest determination date of such Treasury Bills as published in H.15 Daily Update, or such other recognised electronic source used for the purpose of displaying such rate, under the caption “U.S. Government Securities/Treasury Bills/Secondary Market”. If such rate is not yet published in H.15(519), H.15 Daily Update or another recognised electronic source, then the treasury rate will be calculated by the calculation agent (as specified in the applicable supplement) and will be the Bond Equivalent Yield of the arithmetic mean of the secondary market bid rates, as of approximately 3:30 p.m., New York City time, on such interest determination date, of three primary U.S. government securities dealers (which may include the selling agents or their affiliates) selected by the calculation agent (after consultation with us), for the issue of Treasury Bills with a remaining maturity closest to the index maturity specified in the applicable supplement; provided, however, that if the dealers so selected by the calculation agent are not quoting as mentioned in this sentence, the treasury rate determined as of such interest determination date will be the treasury rate in effect on such interest determination date, or, if no treasury rate was in effect on such interest determination date, the rate on such treasury rate note for the following interest reset period shall be the initial interest rate.

“Bond Equivalent Yield” means a yield (expressed as a percentage) calculated in accordance with the following formula:

$$\text{Bond Equivalent Yield} = \frac{D \times N \times 100}{360 - (D \times M)}$$

where “D” refers to the applicable per annum rate for Treasury Bills quoted on a bank discount basis, “N” refers to 365 or 366, as the case may be, and “M” refers to the actual number of days in the applicable interest reset period.

#### Other/Additional Provisions

Any provisions with respect to the notes, including the specification and determination of one or more interest rate bases, the calculation of the interest rate applicable to a floating-rate note, the interest payment dates, the stated maturity, any redemption or repayment provisions or any other term relating thereto, may be modified and/or supplemented as specified in the applicable supplement.

#### Indexed Notes

We may issue notes that provide that the rate of return, including the principal, premium (if any), interest, or other amounts payable (if any), is determined by reference, either directly or indirectly, to the price or performance of one or more securities, commodities, currencies or composite currencies, interest rates, stock or commodity indices, exchange traded funds, currency indices, consumer price indices, or other market measures, or any combination of the above, in each case as specified in the applicable supplement. We refer to these notes as “indexed notes.”

If you purchase an indexed note, you may receive an amount at maturity that is greater than or less than the face amount of your note, depending upon the formula used to determine the amount payable and the relative value at maturity of the market measure to which your indexed note is linked. We expect that the value of the applicable market measure will fluctuate over time.

An indexed note may provide either for cash settlement or for physical settlement by delivery of the relevant asset. An indexed note also may provide that the form of settlement may be determined at our option or the holder's option. Some indexed notes may be convertible, exercisable, or exchangeable prior to maturity, at our option or the holder's option, for the relevant asset or the cash value of the relevant asset.

We will specify in the applicable supplement the method for determining the principal, premium (if any), interest, or other amounts payable (if any) in respect of particular indexed notes, as well as certain historical or other

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information with respect to the specified index or other market measure, specific risk factors relating to that particular type of indexed note, and tax considerations associated with an investment in the indexed notes.

A supplement for any particular indexed notes also will identify the calculation agent that will calculate the amounts payable with respect to the indexed note. We may appoint different calculation agents from time to time after the original issue date of an indexed note without your consent and without notifying you of the change. Absent manifest error, all determinations of the calculation agent will be final and binding on you, the selling agents, and us. Upon request of the holder of an indexed note, and to the extent set forth in the applicable supplement, the calculation agent will provide, if applicable, information relating to the current principal, premium (if any), rate of interest, interest payable, or other amounts payable (if any) in connection with that indexed note.

We also may offer “indexed amortizing notes,” the rate of amortization and final maturity of which are subject to periodic adjustment based upon the degree to which an objective base or index rate such as LIBOR, called a “reference rate,” coincides with a specified “target rate.” Indexed amortizing notes may provide for adjustment of the amortization rate either on every interest payment date, or only on interest payment dates that occur after a specified “lockout date.” Each indexed amortizing note will include an amortization table, specifying the rate at which the principal of the note is to be amortized following any applicable interest payment date, based upon the difference between the reference rate and the target rate. The specific terms of, and any additional considerations relating to, indexed amortizing notes will be set forth in the applicable supplement.

#### Floating-Rate/Fixed-Rate/Indexed Notes

We may issue notes with elements of each of the fixed-rate, floating-rate and indexed notes described above. For example, notes may bear interest at a fixed rate for some periods and at a floating rate in others. Similarly, notes may provide for a payment of principal at maturity linked to an index and also may bear interest at a fixed or floating rate. We will describe the determination of interest for any of these notes in the applicable supplement.

#### Original Issue Discount Notes