SUPPLEMENTARY PROSPECTUS DATED 7 OCTOBER 2008

LLOYDS TSB GROUP plc

(incorporated in Scotland with limited liability under the Companies Act 1985 with registered number 95000)

Private Placement of
U.S.$3,750,000,000 Extendible Notes (the "Notes")
issued as two tranches in the amount of U.S.$3,250,000,000 on 17 July 2008 and U.S.$500,000,000 on 23 July 2008

This Supplement (the "**Supplement**") to the Base Prospectus (the "**Prospectus**") dated 24 July 2008 (as supplemented by a supplementary prospectus dated 5 August 2008) which comprises a base prospectus, constitutes a supplementary prospectus for the purposes of Section 87G of the Financial Services and Markets Act 2000 (the "**FSMA**") and is prepared in connection with the Notes issued by Lloyds TSB Group plc (the "**Company**"). Terms defined in the Prospectus have the same meaning when used in this Supplement. See Appendix III of the Announcement (defined below), as incorporated by reference into the Prospectus, for certain definitions used in this Supplement.

This Supplement is supplemental to, and should be read in conjunction with, the Prospectus and any other supplements to the Prospectus issued by the Company.

The Company accepts responsibility for the information contained in this Supplement. To the best of the knowledge of the Company (having taken all reasonable care to ensure that such is the case) the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

Recommended acquisition of HBOS plc by Lloyds TSB Group plc to be implemented by means of a scheme of arrangement under sections 895 to 899 of the Companies Act 2006

On 18 September 2008, Lloyds TSB Group plc published an announcement (the "**Announcement**") regarding the recommended acquisition of HBOS plc by Lloyds TSB Group plc to be implemented by means of a scheme of arrangement under sections 895 to 899 of the Companies Act 2006. A copy of the Announcement has been filed with the Financial Services Authority and, by virtue of this Supplement the following sections of the Announcement are incorporated by reference in, and form part of, the Prospectus:

- From the section entitled "*Introduction*" to (and including) the section entitled "*General*" save that the following shall be excluded:
    - (i) the second paragraph of the section entitled "*Introduction*";
    - (ii) the first sentence of the fifth paragraph, the sixth paragraph, the second sentence of the seventh paragraph and the eighth paragraph of the section entitled "*Background to and reasons for the Acquisition*"; and

(iii) the first, tenth, twelfth and thirteenth paragraphs of the section entitled "*Synergies, financial effects and pro forma financials*";

- Appendix I entitled "*Conditions to the Implementation of the Scheme and the Acquisition*";
- Appendix II entitled "*Sources and Bases of Information*"; and
- Appendix III entitled "*Definitions*".

Risk factors relating to the recommended acquisition of HBOS plc by Lloyds TSB Group plc

The Risk Factors set out below shall be additional to the risk factors contained in the "*Risk Factors*" section at pages 6 – 10 (inclusive) of the Prospectus.

The Scheme is being effected by way of a scheme of arrangement approved at the Court Meeting pursuant to the Companies Act and requires the approval of HBOS Shareholders and Lloyds TSB Shareholders. There can be no assurance that the required shareholder approvals will be obtained or that the Court Meeting will approve the Scheme.

The Scheme is being effected by means of a scheme of arrangement between HBOS and its shareholders under sections 895 to 899 of the Companies Act which will require an application by HBOS to the Court to sanction the Scheme and confirm the cancellation of HBOS's currently issued share capital. Before such Court Orders can be sought, the Scheme will require approval (i) by HBOS Shareholders at the Court Meeting, (ii) by the HBOS Shareholders of certain resolutions to be proposed at the HBOS Extraordinary General Meeting and (iii) by Lloyds TSB Shareholders of certain resolutions at the Lloyds TSB Extraordinary General Meeting. There can be no assurance that the approval of the Scheme by the HBOS Shareholders at the HBOS Extraordinary General Meeting will be obtained or that the Lloyds TSB Shareholders will approve the Acquisition at the Lloyds TSB Extraordinary General Meeting. In addition, there can be no assurance that the Court Meeting will approve the Scheme or, if the Scheme is approved, whether the Court will seek to impose modifications thereto.

The implementation of the Scheme and the consummation of the Acquisition will be conditional upon the Scheme becoming effective by a set date and is subject to the satisfaction or waiver of certain conditions. There can be no assurance that the conditions will be satisfied or waived and that Lloyds TSB will complete the Acquisition.

The Acquisition will be conditional upon the Scheme becoming effective by not later than 28 February 2009 and is subject to the satisfaction or waiver of certain conditions which must either be satisfied or waived prior to such date (subject to extension of such date by agreement between HBOS and Lloyds TSB in accordance with applicable law and regulation). These conditions are set out in Appendix I to the Announcement as incorporated by reference. There can be no assurance that the conditions will be satisfied or waived. In addition, there can be no assurance that the Scheme will become effective or that the Acquisition will be consummated.

Obtaining required regulatory approvals may delay implementation of the Scheme and consummation of the Acquisition, and compliance with conditions and obligations in connection with regulatory approvals could adversely affect prospects for the Acquisition.

The Acquisition is conditional upon obtaining merger control approvals and regulatory clearances from the Financial Services Authority as well as certain other regulatory bodies in other jurisdictions. In addition, the Acquisition is conditional upon Lloyds TSB being satisfied that there is no intention by the Office of Fair Trading or the Secretary of State to refer the proposed acquisition of HBOS by Lloyds TSB or any matters relating to the proposal to the Competition Commission, and that the deadline for such application to refer has expired or that, in the event such application is made, any such application having been dismissed by the Competition Appeal Tribunal. The governmental entities from which approvals may be required for the Acquisition and/or post-Acquisition integration of HBOS may refuse to grant such approvals or may impose conditions on, or require changes in connection with, the completion of the Acquisition and/or such integration. These conditions or changes could have the effect of delaying completion of the Acquisition and/or such integration, reducing the anticipated benefits of the Acquisition or imposing additional costs on Lloyds TSB.

The uncertainties about the effects of the Acquisition and any possible competitive bid for HBOS could materially and adversely affect the business and operations of HBOS.

Uncertainty about the effects of the Acquisition and the possibility of a competitive bid being made for HBOS on employees, partners, regulators and customers may materially and adversely affect the business and operations of HBOS. These uncertainties could cause customers, business partners and other parties that have business relationships with HBOS to defer the consummation of other transactions or other decisions concerning HBOS's business, or to seek to change existing business relationships with HBOS. In addition, employee retention at HBOS may be challenging until the Acquisition is consummated.

Lloyds TSB may fail to realise the business growth opportunities, revenue benefits, cost savings and other benefits anticipated from, or may incur unanticipated costs associated with, the Acquisition and Lloyds TSB's results of operations, financial condition, capital ratios and the price of Lloyds TSB's securities may suffer.

There is no assurance that Lloyds TSB's acquisition of HBOS will achieve the business growth opportunities, revenue benefits, cost savings and other benefits which Lloyds TSB anticipates. In particular, there can be no assurances that the Acquisition will be completed or be completed as currently envisaged, that there will not be additional unanticipated costs associated with the Acquisition or the operating of the combined company or that the strategy (including target capital ratios) for the combined company will be able to be implemented nor the anticipated benefits of the Acquisition will be achieved.

Consummation of the Acquisition may result in adverse tax consequences resulting from a change of ownership of HBOS.

The consummation of the Acquisition may result in adverse tax consequences related to the change of ownership of HBOS and its subsidiaries. A change of ownership of a corporation can lead to restrictions on the ability to utilise certain tax reliefs including, but not limited to, tax losses. It can also lead to certain tax charges arising as a result of parties becoming connected with each other for tax purposes, such as credits related to loan relationships between the parties. Moreover, a change of ownership may result in other tax costs not normally associated with the ordinary course of business. Such other tax costs may include, but are not limited to, stamp duties, land transfer taxes, franchise taxes and other levies.

Change of control provisions in HBOS's agreements may be triggered upon the completion of the Acquisition or upon the completion of any resulting reorganisation and may lead to adverse consequences for Lloyds TSB, including the loss of significant contractual rights and benefits, the termination of joint venture and/or licensing agreements.

HBOS may be a party to joint ventures, licences and other agreements and instruments that contain change of control provisions that will be triggered upon the completion of the Acquisition or upon completion of the reorganisation of HBOS within the Lloyds TSB Group. The operation of such change of control provisions, if any, could result in the loss of material contractual rights and benefits, the termination of joint venture agreements and licensing agreements or the requirement to repay outstanding indebtedness.

Other

Risk Factors relating to Lloyds TSB Group

- The Risk Factor entitled "Lloyds TSB Group's businesses are subject to inherent risks concerning liquidity which could affect Lloyds TSB Group's ability to meet is financial obligations as they fall due" on page 7 of the Prospectus shall be deleted and replaced with the following:

  "***Lloyds TSB Group's businesses are subject to inherent risks concerning liquidity which could affect Lloyds TSB Group's ability to meet its financial obligations as they fall due***

  Lloyds TSB Group's businesses are subject to risks concerning liquidity, which are inherent in its banking operations, and could affect Lloyds TSB Group's ability to meet its financial obligations as they fall due or to fulfil commitments to lend. In order to ensure that Lloyds TSB Group continues to meet its funding obligations and to maintain or grow its business generally, it relies on customer savings and transmission balances, as well as ongoing access to the wholesale lending markets. The ability of Lloyds TSB Group to access wholesale and retail funding sources on favourable economic terms is dependent on a variety of factors, including a number of factors outside of its control, such as liquidity constraints, general market conditions and confidence in the UK banking system.

  The current dislocation in the global and UK capital markets and credit conditions has led to the most severe examination of the banking system's capacity to absorb sudden significant changes in the funding and liquidity environment in recent history, and has impacted the wider economy. Individual institutions have faced varying degrees of stress. Should Lloyds TSB Group be unable to continue to source a sustainable funding profile which can absorb these sudden shocks, Lloyds TSB Group's ability to fund its financial obligations at a competitive cost, or at all, could be adversely impacted."

- The Risk Factor entitled "Lloyds TSB Group's businesses are subject to substantial regulation, and regulatory and governmental oversight. Adverse regulatory developments or changes in government policy could have a significant negative impact on Lloyds TSB Group's results" on page 8 of the Prospectus shall be deleted and replaced with the following:

  "***Lloyds TSB Group's businesses are subject to substantial regulation, and regulatory and governmental oversight. Adverse regulatory developments or changes in government policy could have a significant negative impact on Lloyds TSB Group's results***

  Lloyds TSB Group conducts its businesses subject to ongoing regulation and associated regulatory risks, including the effects of changes in the laws, regulations, policies, voluntary codes of practice and interpretations in the UK and the other markets where it operates. Future changes in regulation, fiscal or other policies are unpredictable and beyond the control of Lloyds TSB Group. For additional information, see "Lloyds TSB Group – Regulation".

  In addition, in the UK and elsewhere, there is continuing political and regulatory scrutiny of the banking industry and, in particular, retail banking. In the UK, the Competition Commission and the Office of Fair Trading ("**OFT**") are carrying out several inquiries and the European Commission is also carrying out certain inquiries, which are referred to in "Lloyds TSB Group – Competitive environment".

  In recent years there have been several issues in the UK financial services industry in which the FSA has intervened directly, including the sale of personal pensions and the sale of mortgage related endowments.

The government, FSA or other regulators, in the UK or overseas, may intervene further in relation to the areas of industry risk already identified, or in new areas, which could adversely affect the Lloyds TSB Group."

Risk Factors relating to the Notes and the New Notes

- The following Risk Factor shall be inserted after the section "Risk Factors – Risks relating to the Notes and the New Notes – Liquidity" on page 10 of the Prospectus:

  "***UK Banking (Special Provisions) Act 2008***

  Under the Banking (Special Provisions) Act 2008 (the "**Act**"), until 21 February 2009, HM Treasury has wide powers to make certain orders in respect of a UK authorised deposit-taking institution (such as Lloyds TSB Bank plc) and, in certain circumstances, certain corporate related undertakings. The orders which may be made under the Act in respect of relevant deposit-taking institutions (and/or, in certain circumstances, certain related corporate undertakings) relate to (amongst other things) (i) transfers of securities issued by relevant entities (and/or securing that rights of holders of securities cease to be exercisable by such holders, discontinuing the listing of securities and/or varying or nullifying the terms of securities), (ii) transfers of property, rights and liabilities of relevant entities notwithstanding any restrictions, requirements or interest (and/or modifying related interests, rights or liabilities of third parties), (iii) the disapplication or modification of laws, (iv) the imposition of a moratorium on the commencement or continuation of any legal process in relation to any body or property and/or (v) the dissolution of any relevant entity. Significantly, orders may have retrospective effect (as from not earlier than three months before 21 February 2008) and may make provision for nullifying the effect of transactions or events taking place after the time in question.

  While certain orders under the Act may be made by HM Treasury only in certain circumstances for the purposes of maintaining the stability of the UK financial system and/or protecting the public interest where financial assistance has been provided by HM Treasury to the deposit-taking institution, such purpose conditions may not apply in respect of all orders which may be made under the Act. The Act includes provisions related to compensation in respect of any transfer orders made.

  If HM Treasury were to make an order in respect of Lloyds TSB Bank plc and/or certain related corporate undertakings, such order may (amongst other things) (i) result in a transfer of securities of Lloyds TSB Bank plc and/or any property of Lloyds TSB Bank plc, (ii) impact on the rights of holders of interests in securities in Lloyds TSB Bank plc and/or (iii) the de-listing of securities of Lloyds TSB Bank plc. In addition, such an order may impact on various matters in respect of the Issuer and/or various other aspects of the transaction which may negatively affect the ability of the Issuer to meet its obligations in respect of the Notes and New Notes. At present, HM Treasury has not made any orders under the Act in respect of Lloyds TSB Bank plc or any of its related corporate undertakings and there has been no indication that it will make any such order under the Act, but there can be no assurance that this will not change and/or that holders of the Notes and New Notes will not be adversely affected by any such order if made."

Recent Developments

The section entitled "Recent Developments" on pages 31 to 32 of the Prospectus shall be deleted and replaced with the following:

"Recent Developments

- On 30 July 2008, the Issuer published its 2008 Interim Results News Release for the half- year to 30 June 2008 (the "**2008 Company Interim Results**") and Lloyds TSB Bank plc published its Interim Management Report for the half-year to 30 June 2008. Certain recent developments referred to in the 2008 Company Interim Results are described below (compared to the first half of 2007):

  - On a statutory basis, profit before tax for the first half of 2008 fell by 70 per cent to £599 million which was largely resultant of the impact of market dislocation and volatility relating to the Group's insurance businesses.
  - At the end of June 2008, the Group had a total capital ratio on a Basel II basis of 11.3 per cent, a tier 1 ratio of 8.6 per cent and a core tier 1 ratio of 6.2 per cent.

- On 18 September 2008, the Issuer published an announcement (the "**Announcement**") regarding the recommended acquisition of HBOS plc by the Issuer to be implemented by means of a scheme of arrangement under sections 895 to 899 of the Companies Act 2006. A copy of the Announcement has been filed with the Financial Services Authority and certain parts of the Announcement are incorporated by reference in, and form part of, this Prospectus.
- On 18 September 2008, Standard & Poor's published a ratings update placing Lloyds TSB Bank plc's 'AA' long-term counterparty credit rating and the Issuer's 'AA/A-1+' long- and short-term counterparty credit ratings on CreditWatch with negative implications and affirming Lloyds TSB Bank plc's 'A-1+' short-term counterparty credit rating.
- On 18 September 2008, Moody's Investor Services Limited published a ratings update placing Lloyds TSB Bank plc's 'B+' financial strength rating, its 'Aaa' senior debt and long-term deposit ratings and the Issuer's 'Aa1' senior debt rating on review for possible downgrade and affirming Lloyds TSB Bank plc's 'P-1' short-term rating.
- On 18 September 2008, Fitch Ratings Ltd published a ratings update placing Lloyds TSB Bank plc's long-term issuer default rating and senior unsecured debt ratings of 'AA+', its individual rating of 'A' and its subordinated debt ratings of 'AA' on Rating Watch Negative and affirming each of Lloyds TSB Bank plc's short-term issuer default rating at 'F1+', its Support Rating at '1' and its Support Rating Floor at 'A-' (A minus). In addition, Fitch Ratings Ltd placed the Issuer's long-term issuer default rating and senior unsecured debt ratings of 'AA+', its individual rating of 'A' and its preference shares and subordinated debt ratings of 'AA' on Rating Watch Negative and affirmed the Issuer's short-term issuer default rating at 'F1+', its Support Rating at '5' and its Support Rating Floor at 'No Floor'."

Business and activities of Lloyds TSB Group

The text in the section entitled "Business and activities of Lloyds TSB Group – UK Retail Banking" on pages 22 and 23 of the Prospectus shall be amended as follows:

- The words "over 2,000" in the second line of the paragraph entitled "Branches" shall be replaced with the words "around 2,000";
- The words "Telephone banking continues to grow and Lloyds TSB Group provides one of the largest telephone banking services in Europe" in the first and second lines of the paragraph entitled "Telephone banking" shall be deleted.

The text in the section entitled "Business and activities of Lloyds TSB Group – Wholesale and International Banking" on page 25 of the Prospectus shall be amended as follows:

- The following text in the paragraph entitled "Commercial Banking":

  "Lloyds TSB Group has a leading share of the new business start-up market, with some 120,000 new businesses opening an account with Lloyds TSB Group in 2007" shall be deleted and replaced by the following:

"Commercial Banking continues to build its market share of high value customers as a result of continued good progress in attracting "switching" from other financial servicers providers."

- The following text in the fourth line of the paragraph entitled "International Banking":

  "and the US."

  shall be deleted and replaced by the following:

  ", the US and South America."

Competitive environment

The text in the section entitled "Competitive environment" on pages 26-28 of the Prospectus shall be amended as follows:

- The following text in the section entitled "Competitive environment" on page 26 of the Prospectus:

  "Lloyds TSB Group's key markets are in the UK, in both the retail and wholesale financial services sectors, where the markets are relatively mature. Retail banking markets have shown strong rates of growth in recent years, but there is now evidence of divergent trends between unsecured and secured consumer borrowing, with unsecured lending expected to continue to grow whilst new secured lending is expected to fall in the short term. At the same time, the markets for life, pensions and insurance products are expected to grow over time in a number of key areas. The fragmented nature of the life, pensions and insurance market in the UK has resulted in some consolidation within certain product sectors, although the overall share of new business of the top ten providers has fallen slightly in 2007. In the general insurance sector, the long-term trend of consolidation amongst underwriters and brokers continues, while distribution remains fragmented through growth in the number of affinity partnerships. Wholesale markets have also shown strong growth until mid-2007, since when the ongoing dislocation of global capital markets has had a severe impact. Slower growth is now evident and this trend is likely to intensify going forward, together with a return to more normal levels of bad debt from recent cyclical lows."

  shall be deleted and replaced by the following:

  "Lloyds TSB Group's key markets are in the UK, in both the retail and wholesale financial services sectors, where the markets are relatively mature. Retail banking markets have shown strong rates of growth in recent years, but in the current economic environment this growth is now slowing, with new secured lending falling sharply. The markets for life, pensions and insurance products are expected to grow in the long term, though in the short term they will be influenced by economic conditions. The fragmented nature of the life, pensions and insurance market in the UK has resulted in some consolidation within certain product sectors. In the general insurance sector, distribution remains fragmented through growth in the number of affinity partnerships. Wholesale markets have also shown strong growth until mid-2007, since when the ongoing dislocation of global capital markets has had a severe impact. Slower growth is now evident and this trend is likely to intensify going forward, together with a return to more normal levels of bad debt from recent cyclical lows."

- The reference to "September 2008" in the penultimate sentence of the final paragraph of the section entitled "UK Competition Commission" on page 27 of the Prospectus shall be deleted and replaced with the words "October 2008".

- The following paragraph will be inserted immediately before the paragraph entitled "UK Office of Fair Trading" on page 27 of the Prospectus:

"***Financial Services Authority***

On 30 September 2008 the FSA published a statement arising from its on-going thematic review of PPI sales. In the statement, which was directed at the industry generally, the FSA highlighted certain concerns and indicated that it was escalating its regulatory intervention and considering appropriate action to deal with on-going non-compliant sales practices and to remedy non-compliant past sales. The FSA plans to publish an update on the third phase of the thematic work in Q1 2009."

- The following text shall replace the text in the section entitled "UK Office of Fair Trading" on pages 27 and 28 of the Prospectus:

"UK Office of Fair Trading

The following reviews and inquiries are being carried out:

In April 2007, the UK Office of Fair Trading ("OFT") commenced an investigation into the fairness of current account overdraft charges. At the same time it commenced a market study into wider questions about competition and price transparency in the provision of personal current accounts.

On 27 July 2007, following agreement between the OFT and eight UK financial institutions, the OFT issued High Court legal proceedings against those institutions, including Lloyds TSB Bank plc, to determine the legal status and enforceability of certain of the charges applied to their personal customers in relation to requests for unplanned overdrafts. On 24 April 2008, the High Court ruled on the preliminary issues of whether the financial institutions' terms and conditions in relation to unplanned overdraft charges are capable of being assessed for fairness under the Unfair Terms in Consumer Contracts Regulations 1999 ("Regulations") or are capable of amounting to penalties at common law. The High Court determined, in relation to Lloyds TSB Bank plc's current terms and conditions, that the relevant charges are not capable of amounting to penalties but that they are assessable for fairness under the Regulations. On 22 May 2008, Lloyds TSB Bank plc, along with the other relevant financial institutions, was given permission to appeal the finding that unplanned overdraft charges are assessable for fairness under the Regulations. Lloyds TSB Bank plc expects the appeal hearing to commence on 28 October 2008. A further hearing was held on 7 to 9 July to consider whether Lloyds TSB Bank plc's historic terms and conditions are similarly not capable of being penalties, and to consider whether Lloyds TSB Bank plc's historic terms are assessable for fairness. Judgment from that hearing is currently awaited. Subject to the outcome of any appeal in relation to whether the charges are assessable for fairness, it is expected that there will be further substantive hearings to establish whether the charges are fair. If various appeals are pursued, the proceedings may take a number of years to conclude. The FSA has agreed, subject to certain conditions, that the handling of customer complaints on this issue can be suspended until the earlier of either conclusion of the proceedings or 26 January 2009, subject to any renewal or extension which the FSA may agree. Cases before the Financial Ombudsman Service and the County Courts are also currently stayed pending the outcome of the legal proceedings initiated by the OFT. The Group intends to continue to defend its position strongly. Accordingly, no provision in relation to the outcome of this litigation has been made. Depending on the Court's determinations, a range of outcomes is possible, some of which could have a significant financial impact on the Lloyds TSB Group. The ultimate impact of the litigation on the Group can only be known at its conclusion. The Issuer intends to comply with its obligations as a company with securities admitted to the Official List in connection with further disclosures in relation to the impact of this litigation on the Issuer.

On 16 July 2008, the OFT released a report following the market study referred to above. The OFT is now engaging in a period of consultation until 31 October 2008. The OFT has stated that at the conclusion of the consultation period, it will publish a summary of the responses received, and that it will then aim to publish a further or final report in early 2009 which will contain recommendations for the banking industry.

The OFT is also investigating interchange fees charged by some card networks in parallel with the European Commission's own investigation into Visa cross-border interchange fees, the European Commission having issued its decision in the MasterCard cross-border interchange case, which decision is now under appeal to the European Court of First Instance."

Regulation

The following text in the section entitled "Regulation – Other relevant legislation and regulation" on pages 29 – 31 of the Prospectus shall be amended as follows:

- The following sentence in the final paragraph on page 30 of the Prospectus:

  "Third Money Laundering Directive – this came into effect in the UK on 17 December 2007 following enactment in the 2007 Money Laundering Regulations."

  shall be deleted and replaced by the following:

  "Third Money Laundering Directive – this came into effect in the UK on 15 December 2007 following enactment in the 2007 Money Laundering Regulations."

- The following text in the second paragraph on page 31 of the Prospectus:

  "A number of other EU directives, including the Unfair Commercial Practices Directive, the Acquisitions Directive and the Payment Services Directive are currently being implemented in the UK. The EU is also considering regulatory proposals for, *inter alia*, Consumer Credit, Mortgage Credit, the Single European Payments Area and capital adequacy requirements for insurance companies (Solvency II)."

  shall be deleted and replaced by the following:

  "A number of EU directives, including the Acquisitions Directive, the Payment Services Directive and the Consumer Credit Directive are currently being implemented in the UK. The EU is also considering or progressing regulatory proposals for, Mortgage Credit, Single European Payments Area, Retail Financial Services Review, capital adequacy requirements for insurance companies (Solvency II) and amendments to the Capital Requirements Directive."

- The following text in the paragraph entitled "Regulation – US" on page 31 of the Prospectus shall be amended as follows:

  The word "operations" in the eighth line shall be replaced with the words "US operations";

- The following text in the paragraph entitled "Regulation – Rest of the world" on page 31 of the Prospectus shall be amended as follows:

  The word "controls" in the second line shall be replaced with the words "controls, amongst others,";

Directors

The following text shall replace the text in the section entitled "Directors" on pages 32 and 33 of the Prospectus:

"Directors

The directors of the Issuer, the business address of each of whom is 25 Gresham Street, London EC2V 7HN, England, and their respective principal outside activities, where significant to the Issuer, are as follows:

<u>Name</u>	<u>Principal outside activities</u>
Sir Victor Blank **Chairman**	A member of the Financial Reporting Council from 2002 to 2007 and a member of the Council of Oxford University from 2000 to 2007. A senior adviser to the Texas Pacific Group. Chairs two charities, Wellbeing of Women and UJS Hillel, as well as the Council of University College School.
Executive directors	
J. Eric Daniels Group Chief Executive	A non-executive director of BT Group.
Archie G. Kane Group Executive Director, Insurance and Investments	Chairman of the board of the Association of British Insurers. Member of the Treasury's Financial Services Global Competitiveness Group.
G. Truett Tate Group Executive Director, Wholesale & International Banking	A non-executive director of BritishAmerican Business Inc. A member of the fund-raising board of the National Society for the Prevention of Cruelty to Children.
Helen A. Weir CBE Group Executive Director, UK Retail Banking	A non-executive director of Royal Mail Holdings. A member of the Said Business School Advisory Board and a former member of the Accounting Standards Board.
Non-executive directors	
Wolfgang C.G. Berndt	A non-executive director of Cadbury, GfK AG and MIBA AG.
Ewan Brown CBE FRSE	A non-executive director of Noble Grossart and Stagecoach Group, senior governor of the Court of the University of St Andrews and vice chairman of the Edinburgh International Festival.
Jan P. du Plessis	Chairman of British American Tobacco and a director of Rio Tinto.
Philip N. Green	Chief Executive of United Utilities. A director of Business in the Community, a member of the government's UK Commission for Employment and Skills and a trustee of the Philharmonia Orchestra.
Sir Julian Horn-Smith	A non-executive director of Digicel Group, a member of the Altimo International advisory board and a senior adviser to UBS in relation to the global telecommunications sector.
Lord Leitch	Appointed chairman of Scottish Widows in 2007. Chairman of the government's Review of Skills (published in December 2006) and deputy

	chairman of the Commonwealth Education Fund. Chairman of BUPA and Intrinsic Financial Services and a non-executive director of Paternoster and United Business Media.
Sir David Manning GCMG CVO	A non-executive director of BG Group.
Martin A. Scicluna	None.
Carolyn J. McCall OBE	Chief Executive of Guardian Media Group plc. Chair of Opportunity Now.

None of the directors of the Issuer have any actual or potential conflict between their duties to the Issuer and their private interests or other duties as listed above."

The Company will provide, without charge, to each person to whom a copy of this Supplement has been delivered, upon the oral or written request of such person, a copy of any or all of the documents which are incorporated in whole or in part by reference herein or in the Prospectus. Written or oral requests for such documents should be directed to the Company at its head office at 25 Gresham Street, London, EC2V 7HN, as described on page 5 of the Prospectus.

To the extent that there is any inconsistency between (a) any statement in this Supplement or any statement incorporated by reference into the Prospectus by this Supplement and (b) any other statement in or incorporated by reference in the Prospectus, the statements in (a) above will prevail.

Save as disclosed in this Supplement, no other significant new factor, material mistake or inaccuracy relating to information included in the Prospectus has arisen or been noted, as the case may be, since the publication of the Prospectus.

An investor should be aware of its rights arising pursuant to Section 87Q(4) of the FSMA.