Lloyds Bank plc
Form 424B5
March 27, 2014
CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities Offered	Maximum Aggregate Offering Price	Amount of Registration Fee (1)
Senior Callable Capped CMS Steepener Notes due April 25, 2034	$3,000,000.00	$386.40
Guarantee of Senior Callable Capped CMS Steepener Notes due April 25, 2034	–	(2)
Total	$3,000,000.00	$386.40

(1) Calculated in accordance with Rule 457(r)
(2) Pursuant to Rule 457(n), no separate fee is payable with respect to the guarantee

Pricing Supplement No. 55	Filed Pursuant to Rule 424(b)(5)
(To Prospectus Supplement dated June 7, 2013	Registration Nos. 333-189150 and 333-189150-01
and Prospectus dated June 7, 2013)	March 26, 2014

US $3,000,000*
Lloyds Bank plc
fully and unconditionally guaranteed by Lloyds Banking Group plc
Senior Callable Capped CMS Steepener Notes due April 25, 2034
Medium-Term Notes, Series A

As further described below, subject to our redemption right, interest will accrue on the Notes (i) in Year 1: at a rate of 10.00% per annum and (ii) in Years 2 to maturity (subject to our redemption right): at a variable rate per annum equal to the product of (a) 4.00 and (b) an amount equal to the CMS Spread (equal to the difference, if any, between the 30-Year Constant Maturity Swap Rate ("30 Year CMS Rate") and the 2-Year Constant Maturity Swap Rate ("2 Year CMS Rate")) minus 0.25% , as determined with respect to the Interest Determination Date at the start of the related quarterly Floating Rate Interest Period; subject to the Maximum Interest Rate of 10.00% per annum for each Floating Rate Interest Period and the minimum interest rate of 0.00% per annum. The Notes provide an above-market interest rate in Year 1; however, for each Interest Period thereafter, the Notes will not pay any interest with respect to the Floating Rate Interest Period if the CMS Spread is equal to or less than 0.25% on the related quarterly Interest Determination Date. All payments are subject to the credit risk of Lloyds Bank and Lloyds Banking Group. If Lloyds Bank and Lloyds Banking Group were to default on their respective payment obligations, you could lose some or all of your investment.

Notes:	Senior Callable Capped CMS Steepener Notes due April 25, 2034, Medium-Term Notes, Series A (each a "Note" and collectively, "the Notes").	Issuer:	Lloyds Bank plc
		Guarantor:	Lloyds Banking Group plc
		Aggregate Principal Amount:	US$3,000,000. May be increased prior to the Issue Date but we are not required to do so.
Trade Date:	March 26, 2014	Issue Price:	At variable prices
Issue Date:	April 25, 2014	CUSIP:	5394E8CL1
Maturity Date:	April 25, 2034, subject to redemption at the option of the Issuer (as set forth below).	ISIN:	US5394E8CL12
Business Day:	New York and London, following, unadjusted	Day-Count Convention:	30/360

Payment at Maturity:	100% repayment of principal, plus any accrued and unpaid interest, at maturity. Repayment of principal at maturity, or upon early redemption, if applicable, and all payments of interest are subject to the creditworthiness of Lloyds Bank plc, as the Issuer, and Lloyds Banking Group plc, as the Guarantor of the Issuer's obligations under the Notes.	Denominations:	Minimum denominations of $20,000 and integral multiples of $1,000 thereafter
Interest Rate:	For each Interest Period (as defined below) commencing on or after the Issue Date to, but excluding, April 25, 2015, the interest rate per annum will be equal to the Initial Interest Rate. For each Interest Period commencing on or after April 25, 2015 (each, a "Floating Rate Interest Period"), the interest rate per annum (the "Floating Interest Rate") will be equal to the product of (1) the Multiplier and (2) an amount equal to the applicable CMS Spread minus the Strike, with such product subject to the Minimum Interest Rate and Maximum Interest Rate.		
CMS Spread:	With respect to an Interest Determination Date, an amount determined by the Calculation Agent equal to the 30 Year CMS Rate for such Interest Determination Date minus the 2 Year CMS Rate for such Interest Determination Date	Initial Interest Rate: Maximum Interest Rate:	10.00% per annum 10.00% per annum
CMS Rates:	The CMS Rate with a maturity of 30 years ("30 Year CMS Rate") and the CMS Rate with a maturity of 2 years ("2 Year CMS Rate"), each as they appear on Reuters ISDAFIX1 page (the "ISDAFIX1 Page") as of 11:00 a.m., New York City time, on the relevant Interest Determination Date, subject to the provisions set forth under "CMS Rates—Unavailability of CMS Rates" in this pricing supplement.	Minimum Interest Rate: Strike:	0.00% per annum 0.25%
Multiplier:	For Interest Periods commencing on or after April 25, 2015: 4.00		
Interest Payment Dates:	Quarterly, payable in arrears on the 25th day of each January, April, July and October, commencing on (and including) July 25, 2014, and ending on the Maturity Date or the Early Redemption Date, if applicable.		
Redemption at the Option of the Issuer:	We may redeem all, but not less than all, of the Notes at the Redemption Price set forth below, on any Interest Payment Date on or after April 25, 2015, provided we give at least 5 business days' prior written notice to each holder of Notes, the trustee and The Depository Trust Company ("DTC"). If we exercise our redemption option, the Interest Payment Date on which we so exercise it will be referred to as the "Early Redemption Date," which shall be the date the Redemption Price will become due and payable and on which payments of interest will cease to accrue.		
Redemption Price:	If we exercise our redemption option, you will be entitled to receive on the Early Redemption Date 100% of the principal amount together with any accrued and unpaid interest to, but excluding, the Early Redemption Date.		
Tax Redemption:	Following the occurrence of one or more changes in tax law that would require the Issuer or the Guarantor to pay additional amounts and in other limited circumstances as described under "Description of the Notes and the Guarantees—Redemption for Tax Reasons" in the prospectus supplement and "Description of Debt Securities—Redemption" in the prospectus, the Issuer may redeem all, but not fewer than all, of the Notes prior to maturity.		
Settlement and Clearance:	DTC; Book-entry		
Listing:	The Notes will not be listed or displayed on any securities exchange or quotation system.		

Trustee and Paying Agent:	The Bank of New York Mellon, acting through its London Branch
Selling Agent:	Barclays Capital, Inc. (the "Selling Agent")

* May be increased prior to the Issue Date but we are not required to do so.

Investing in the Notes involves significant risks. See "Risk Factors" beginning on page S-2 of the prospectus supplement and "Risk Factors" beginning on page PS-6 below.

The Issuer's estimated value of the Notes as of the Trade Date is approximately $920.90 per $1,000 principal amount of Notes, which is less than the Issue Price of the Notes. We may sell additional Notes after the date of this pricing supplement, with issue prices and commissions different from the amounts set forth below, in which case the estimated value of the Notes on the date any additional Notes are traded may vary from the estimated value set forth above, because of changes in prevailing market conditions and other variables we use to derive the estimated value of the Notes. However the Issuer's estimated value of the Notes on any subsequent Trade Date will not be lower than $870.00 per $1,000 principal amount of Notes. Please see "Issuer's Estimated Value of the Notes" on the following page and "Risk Factors" beginning on page PS-6 below.

The Notes are not bank deposits and are not insured or guaranteed by the Federal Deposit Insurance Corporation or any other governmental agency.

None of the Securities and Exchange Commission, any state securities commission or any other regulatory body has approved or disapproved of these Notes or passed upon the adequacy or accuracy of this pricing supplement, the accompanying prospectus supplement or the accompanying prospectus. Any representation to the contrary is a criminal offense.

	Price to Public (1) (2)	Selling Agent's Commission (3)	Proceeds to Lloyds Bank plc
Per Note	At variable prices	$50.00	$950.00
Total	At variable prices	$150,000.00	$2,850,000.00

(1) The Notes will be offered from time to time in one or more negotiated transactions at varying prices to be determined at the time of each sale, which may be at prevailing market prices, at prices related to such prevailing prices, or at negotiated prices; provided, however, that such price will not be less than $950.00 per $1,000.00 principal amount of the Notes or more than $1,000.00 per $1,000.00 principal amount of the Notes. See "Risk Factors—The price you paid for the Notes may be higher than the prices paid by other investors" on page PS-6 of this pricing supplement.

(2) The proceeds you might expect to receive if you were able to resell the Notes on the Issue Date are expected to be less than the Issue Price of the Notes. This is because the Issue Price of the Notes includes the Selling Agent's commission set forth above and also reflects certain hedging costs associated with the Notes. For additional information, see "Risk Factors—The Issuer's estimated value of the Notes on the Trade Date is less than the Issue Price of the Notes" on page PS-8 of this pricing supplement and "Supplemental Plan of Distribution" beginning on page PS-18 of this pricing supplement.

(3) The Selling Agent will receive commissions from the Issuer of up to $50.00 per $1,000.00 principal amount of the Notes, or up to $150,000.00 of the aggregate principal amount of the Notes, and may retain all or a portion of these commissions or use all or a portion of these commissions to pay selling concessions or fees to other dealers. See "Supplemental Plan of Distribution" beginning on page PS-18 of this pricing supplement.

March 26, 2014

ISSUER’S ESTIMATED VALUE OF THE NOTES

Our estimated value of the Notes is derived from our pricing and valuation models, using various market inputs and assumptions such as expected levels and volatility of interest rates, levels of price and volatility of any assets underlying the Notes, or any futures, options, or swaps related to such underlying assets, and our internal funding rate, which is determined primarily based on our market-based yield curve, adjusted to account for our funding needs and objectives for the period matching the term of the Notes. Our internal funding rate, which is a theoretical borrowing rate based on variables such as market benchmarks, our appetite for borrowing, and our existing obligations coming to maturity, is typically lower than the rate we would pay when we issue conventional debt securities on equivalent terms and our implied borrowing rate derived from the levels at which our conventional debt securities would trade in the secondary market. The use of our internal funding rate will generally result in the Notes having economic terms that are less favorable to you than if such economic terms were instead based on the levels at which our conventional debt securities trade in the secondary market. The inclusion of the Selling Agent’s commission and the estimated cost of hedging our obligations under the Notes in the Issue Price of the Notes also results in the Notes having less favorable economic terms than would otherwise be the case. Our pricing models rely on market information available to us at the time of our calculation, and on certain assumptions about future events, which may prove to be incorrect. Because our pricing models, market inputs, and assumptions may differ from those used by other issuers, and because funding rates used to value similar notes by other issuers may vary materially from the rates used by us (even among issuers with similar creditworthiness), our estimated value may not be comparable to estimated values of similar notes of other issuers.

Our estimated value of the Notes on the Trade Date is less than the Issue Price of the Notes. The difference between the Issue Price of the Notes and our estimated value of the Notes results from several factors, including the inclusion in the Issue Price of the Selling Agent’s commissions and the cost of our hedging our obligations under the Notes with a counterparty that is an affiliate of the Selling Agent. Such hedging cost includes our counterparty’s expected cost of providing such hedge, as well as the projected profit expected to be realized in consideration for structuring the Notes and for assuming the risks inherent in providing such hedge.

Our estimated value of the Notes on the Trade Date does not represent a minimum or maximum at which we or our affiliates, or the Selling Agent or any of its affiliates, might be willing to purchase your Notes in the secondary market at any time. The price at which any party would be willing to purchase the Notes in the secondary market, absent changes in market conditions or our creditworthiness, will generally be lower than the estimated value on the Trade Date, because such price would take into account our secondary market credit spreads as well as the bid-offer spread that such party would be expected to charge.

The Selling Agent has advised us that, absent changes in market conditions, our creditworthiness or other relevant factors, the price, if any, at which the Selling Agent may initially buy or sell the Notes in the secondary market, if any, and the value that the Selling Agent may initially use for customer account statements, if provided at all, may exceed our estimated value on the Trade Date for a temporary period expected to be approximately 12 months after the Issue Date of the Notes, because the Selling Agent may, in its discretion, elect to effectively reimburse to investors a portion of the estimated cost of hedging the obligations under the Notes and other costs in connection with the Notes. The Selling Agent will make such discretionary election and has determined the temporary reimbursement period on the basis of a number of factors, including the tenor of the Notes and any agreement the Selling Agent may have with the distributors of the Notes. The amount of our estimated costs which the Selling Agent may effectively reimburse to investors in this way may not be allocated ratably throughout the reimbursement period, and the Selling Agent may discontinue such reimbursement at any time or revise the duration of the reimbursement period after the initial issue date of the Notes based on changes in market conditions and other factors that cannot be predicted.

If we decide to sell additional Notes after the Trade Date and prior to the Issue Date, each as specified on the cover of this pricing supplement, our estimated value of the Notes on any such subsequent Trade Date may vary from the estimated value set forth above, because of changes in prevailing market conditions and other variables we use to derive the estimated value of the Notes. However the Issuer's estimated value of the Notes on any subsequent Trade Date will not be lower than $870.00 per $1,000 principal amount of Notes.

ABOUT THIS PRICING SUPPLEMENT

Unless otherwise defined herein, terms used in this pricing supplement are defined in the accompanying prospectus supplement or in the accompanying prospectus. As used in this pricing supplement:

- "we," "us," "our," the "Issuer" and "Lloyds Bank" mean Lloyds Bank plc;
- "LBG" and "Guarantor" mean Lloyds Banking Group plc;
- "Notes" refers to the Senior Callable Capped CMS Steepener Notes due April 25, 2034, Medium-Term Notes, Series A, together with the related Guarantee, unless the context requires otherwise; and
- "SEC" refers to the Securities and Exchange Commission.

LBG and Lloyds Bank have filed a registration statement (including a prospectus) with the SEC for the offering to which this pricing supplement relates. Before you invest, you should read this pricing supplement together with the accompanying prospectus dated June 7, 2013 (the "prospectus") in that registration statement and other documents, including the more detailed information contained in the accompanying prospectus supplement dated June 7, 2013 (the "prospectus supplement"), that LBG and Lloyds Bank have filed with the SEC for more complete information about Lloyds Bank and LBG and this offering.

This pricing supplement, together with the prospectus supplement and the prospectus, contains the terms of the Notes and supersedes all other prior or contemporaneous oral statements as well as any other written materials including preliminary or indicative pricing terms, correspondence, trade ideas, structures for implementation, sample structures, fact sheets, brochures or other educational materials of ours.

If the information in this pricing supplement differs from the information contained in the prospectus supplement or the prospectus, you should rely on the information in this pricing supplement.

You may access these documents for free by visiting EDGAR on the SEC website at www.sec.gov as follows (or if such address has changed, by reviewing our filings for the relevant date on the SEC website):

- the prospectus supplement dated June 7, 2013 and the prospectus dated June 7, 2013 can be accessed at the following hyperlink:

http://www.sec.gov/Archives/edgar/data/1160106/000095010313003583/dp38364_424b2-seriesa.htm

Our Central Index Key, or CIK, on the SEC website is 1167831.

Alternatively, LBG, Lloyds Bank, the Selling Agent, any underwriter or any dealer participating in the offering will arrange to send you the prospectus, prospectus supplement and pricing supplement if you request them by calling your Selling Agent's sales representative, such dealer or toll free 1-888-227-2275 (Extension 2-3430). A copy of these documents may also be obtained from the Selling Agent by writing to them at 745 Seventh Avenue—Attn: US InvSol Support, New York, NY 10019.

You should rely only on the information provided or incorporated by reference in this pricing supplement, the prospectus supplement and the prospectus. We have not authorized anyone to provide you with different information, and we take no responsibility for any other information that others may give you. We and the Selling Agent are offering to sell the Notes and seeking offers to buy the Notes only in jurisdictions where it is lawful to do so. This pricing supplement, the prospectus supplement and the prospectus are current only as of their respective dates.

KEY TERMS

The information in this section is qualified by the more detailed information set forth in this pricing supplement, the prospectus supplement and the prospectus.

Title of the Notes:	Senior Callable Capped CMS Steepener Notes due April 25, 2034, Medium-Term Notes, Series A
Issuer:	Lloyds Bank plc
Guarantor:	Lloyds Banking Group plc
Ranking:	The Notes will constitute our direct, unconditional, unsecured and unsubordinated obligations ranking pari passu, without any preference among themselves, with all our other outstanding unsecured and unsubordinated obligations, present and future, except such obligations as are preferred by operation of law.
Guarantee:	The Notes are fully and unconditionally guaranteed by the Guarantor. The Guarantee will constitute the Guarantor's direct, unconditional, unsecured and unsubordinated obligations ranking pari passu with all of the Guarantor's other outstanding unsecured and unsubordinated obligations, present and future, except such obligations as are preferred by operation of law.
Aggregate Principal Amount:	$3,000,000. May be increased prior to the Issue Date but we are not required to do so.
Denominations:	Minimum denominations of $20,000 and integral multiples of $1,000 thereafter
Issue Price:	At variable prices
Specified Currency:	U.S. dollars (also referred to as "US$" or "USD")
Trade Date:	March 26, 2014
Issue Date:	April 25, 2014
Maturity Date:	April 25, 2034
Business Day:	Any day, other than a Saturday or Sunday, that is a day on which commercial banks are generally open for business in New York City and London
Payment at Maturity:	100% repayment of principal, plus any accrued and unpaid interest, at maturity. Repayment of principal at maturity or upon early redemption, if applicable, and all payments of interest are subject to the creditworthiness of Lloyds Bank plc, as the Issuer, and Lloyds Banking Group plc, as the Guarantor of the Issuer's obligations under the Notes.
Interest Rate:	For each Interest Period commencing on or after the Issue Date to, but excluding, April 25, 2015, the interest rate per annum will be equal to the Initial Interest Rate. For each Interest Period commencing on or after April 25, 2015 (each, a "Floating Rate Interest Period"), the interest rate per annum (the "Floating Interest Rate") will be equal to the product of (1) the Multiplier and (2) an amount equal to the applicable CMS Spread minus the Strike, with such product subject to the Minimum Interest Rate and Maximum Interest Rate.
Initial Interest Rate:	10.00% per annum
CMS Spread:	With respect to an Interest Determination Date, an amount determined by the Calculation Agent equal to the 30 Year CMS Rate for such Interest Determination

	Date minus the 2 Year CMS Rate for such Interest Determination Date.
CMS Rates:	The CMS Rate with a maturity of 30 years (“30 Year CMS Rate”) and the CMS Rate with a maturity of 2 years (“2 Year CMS Rate”), each as they appear on Reuters ISDAFIX1 page (the “ISDAFIX1 Page”) as of 11:00 a.m., New York City time, on the relevant Interest Determination Date, subject to the provisions set forth under “CMS Rates—

	Unavailability of CMS Rates" in this pricing supplement.
Multiplier:	For Interest Periods commencing on or after April 25, 2015: 4.00
Strike:	0.25%
Maximum Interest Rate:	10.00% per annum
Minimum Interest Rate:	0.00% per annum
Interest Payment Dates:	Quarterly, payable in arrears on the 25th day of each January, April, July and October, commencing on (and including) July 25, 2014, and ending on the Maturity Date or the Early Redemption Date, if applicable. If any Interest Payment Date is not a Business Day, interest will be paid on the following Business Day, and interest on that payment will not accrue during the period from and after the originally scheduled Interest Payment Date.
Interest Periods:	The first period will begin on, and will include, the Issue Date and end on, but exclude, the first Interest Payment Date. Each subsequent Interest Period will begin on, and include, the Interest Payment Date for the preceding Interest Period and end on, but exclude, the next following Interest Payment Date. The final Interest Period will end on, but exclude, the Maturity Date (or the Early Redemption Date, if applicable).
Interest Reset Dates:	For each Interest Period commencing on or after April 25, 2015, the first day of such Interest Period
Interest Determination Dates:	The second U.S. Government Securities Business Day prior to the relevant Interest Reset Date
U.S. Government Securities Business Day:	Any day, other than a Saturday, Sunday, or a day on which the Securities Industry and Financial Markets Association (or any successor thereto) recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in U.S. government securities.
Business Day Convention:	Following. If any Interest Payment Date is not a Business Day, interest will be paid on the following Business Day, and interest on that payment will not accrue during the period from and after the originally scheduled Interest Payment Date.
Day Count Basis:	Interest payable with respect to an Interest Period will be computed on the basis of a 360-day year of twelve 30-day months.
Payment Determination:	The Paying Agent will calculate the amount you will be entitled to receive on each Interest Payment Date, at maturity or upon early redemption, if applicable. For each Interest Determination Date, the Calculation Agent will cause to be communicated to us, the Trustee and the Paying Agent, the relevant CMS Spread. The Paying Agent will calculate the amount you will be entitled to receive on each Interest Payment Date, at maturity or upon early redemption, if applicable, using the CMS Spread as so provided.
Redemption at the Option of the Issuer:	We may redeem all, but not less than all, of the Notes at the Redemption Price set forth below, on any Interest Payment Date on or after April 25, 2015, provided we give at least 5 business days' prior written notice to each holder of Notes, the trustee and The Depository Trust Company ("DTC"). If we exercise our redemption option, the Interest Payment Date on which we so exercise it will be referred to as the "Early Redemption Date," which shall be the date the Redemption Price will become due and payable and on which payments of interest will cease to accrue.

Redemption Price:	If we exercise our redemption option, you will be entitled to receive on the Early Redemption Date 100% of the principal amount together with any accrued and unpaid interest to, but excluding, the Early Redemption Date.
Tax Redemption:	Following the occurrence of one or more changes in tax law that would require the Issuer or the Guarantor to pay additional amounts and in other limited circumstances as described under “Description of the Notes and the Guarantees—Redemption for Tax Reasons” in the prospectus supplement and “Description of Debt Securities—Redemption” in the prospectus, the Issuer may redeem all, but not fewer than all, of the

	Notes prior to maturity.
Settlement and Clearance:	DTC; Book-entry
Listing:	The Notes will not be listed or displayed on any securities exchange or quotation system.
Calculation Agent:	Barclays Bank PLC
Selling Agent:	Barclays Capital, Inc. (the "Selling Agent")
Trustee and Paying Agent:	The Bank of New York Mellon, acting through its London Branch
Governing Law:	New York
CUSIP:	5394E8CL1
ISIN:	US5394E8CL12
Estimated Value:	The Issuer's estimated value of the Notes as of the Trade Date is as set forth on the cover of this pricing supplement. Please see "Issuer's Estimated Value of the Notes" on page PS-1 above and "Risk Factors" beginning on page PS-6 below.

RISK FACTORS

Your investment in the Notes 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 section entitled “Risk Factors” beginning on page S-2 of the prospectus supplement, with your advisers 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. We also urge you to consult with your investment, legal, accounting, tax, and other advisers before you invest in the Notes.

The credit risk of Lloyds Bank and LBG and their credit ratings and credit spreads may adversely affect the value of the Notes.

You are dependent on Lloyds Bank’s ability to pay all amounts due on the Notes, and therefore you are subject to the credit risk of Lloyds Bank and to changes in the market’s view of Lloyds Bank’s creditworthiness. In addition, because the Notes are fully and unconditionally guaranteed by Lloyds Bank’s parent company, LBG, you are also dependent on the credit risk of LBG in the event that Lloyds Bank fails to make any payment or delivery required by the terms of the Notes. If Lloyds Bank and LBG were to default on their respective payment obligations, you may not receive any amounts owed to you under the Notes and you could lose your entire investment. The credit ratings of Lloyds Bank and LBG are an assessment by rating agencies of their ability to pay their obligations, including those under the Notes. Any actual or anticipated decline in Lloyds Bank’s and LBG’s credit ratings, or increase in the credit spreads charged by the market for taking credit risk, is likely to adversely affect the value of the Notes. However, because the return on the Notes is dependent upon factors in addition to Lloyds Bank’s and LBG’s credit ratings, an improvement in their credit ratings will not necessarily increase the value of the Notes and will not reduce market risk and other investment risks related to the Notes.

The price you paid for the Notes may be higher than the prices paid by other investors.

The Selling Agent proposes to offer the Notes from time to time for sale to investors in one or more negotiated transactions, or otherwise, at prevailing market prices at the time of sale, at prices related to then-prevailing prices, at negotiated prices, or otherwise. Accordingly, there is a risk that the price you paid for your Notes will be higher than the prices paid by other investors based on the date and time you made your purchase, from whom you purchased the Notes, any related transaction costs, whether you hold your Notes in a brokerage account, a fiduciary or fee-based account or another type of account and other market factors.

After the first year, the Notes are subject to interest payment risk based on the CMS Spread, and it is possible that you could receive no interest on the Notes at all for extended periods if the CMS Spread is equal to or less than the Strike during the term of the Notes.

Investing in the Notes is not equivalent to investing in securities directly linked to the CMS Rates or the CMS Spread. Instead, the rate of interest payable on the Notes (after the Initial Interest Rate Interest Periods) is determined by multiplying (a) the Multiplier by (b) the applicable CMS Spread minus the Strike, with such calculated rate subject to the Minimum Interest Rate and the Maximum Interest Rate. Accordingly, the amount of interest payable on the Notes is dependent on whether, and the extent to which, the CMS Spread is greater than 0.25% (because of the application of the Strike) on the Interest Determination Date. Because the Minimum Interest Rate on the Notes is equal to 0.00% per annum, if the CMS Spread on any Interest Determination Date is equal to or less than 0.25%, you would not receive an interest payment on the related Interest Payment Date. If the CMS Spread is equal to or less than 0.25% on every Interest Determination Date throughout the term of the Notes, then you would not receive any interest payments on your Notes after the first year of the term of the Notes.

The amount of interest payable on the Notes will vary after the first year.

Because the CMS Rates are floating rates, the CMS Spread, which is the difference between 30 Year CMS Rate and 2 Year CMS Rate, will fluctuate. From and including April 25, 2015 to but excluding the Maturity Date or the Early Redemption Date, if applicable, the Notes will bear interest during each quarterly Floating Rate Interest Period at a per annum rate equal to the product of (1) the Multiplier of 4.00 and (2) the applicable CMS Spread minus the Strike of 0.25%, with such product subject to the Minimum Interest Rate of 0.00% per annum and the Maximum Interest Rate of 10.00% per annum. The per annum interest rate that is determined on the relevant Interest Determination Date will apply to the entire Floating Rate Interest Period following that Interest Determination Date, even if the difference between 30 Year CMS Rate and 2 Year CMS Rate increases during that interest period, but is applicable only to that quarterly Floating Rate Interest Period; interest payments for all quarterly Floating Rate Interest Periods will vary.

The amount of interest payable on the Notes on each Floating Interest Rate Interest Payment Date is capped, and the amount of interest you will be entitled to receive may be less than the return you could earn on other investments with a comparable maturity.

The Floating Interest Rate on the Notes for each Floating Rate Interest Period is capped for that period at the Maximum Interest Rate of 10.00% per annum. Interest rates may change significantly over the term of the Notes, and it is impossible to predict what interest rates will be at any point in the future. Although the Floating Interest Rate on the Notes will be based on the levels of the CMS Rates, the Floating Interest Rate that will apply during each Floating Rate Period on the Notes may be more or less than other prevailing market interest rates at such time and in any event will never exceed the Maximum Interest Rate regardless of the levels of the CMS Rates on any relevant Interest Determination Date. In addition, if the product of the (1) the applicable CMS Spread minus the Strike and (2) the Multiplier of 4.00 is less than the Maximum Interest Rate for any Floating Rate Interest Period, the cumulative interest rate for such year will be less than the Maximum Interest Rate. As a result, the amount of interest you receive on the Notes may be less than the return you could earn on other investments with a comparable maturity.

If the CMS Rates change, the value of the Notes may not change in the same manner.

The price of your Notes may move differently than the CMS Rates. Changes in the CMS Rates may not result in a comparable change in the value of your Notes. We discuss some of the reasons for this disparity under "—After the first year, the Notes are subject to interest payment risk based on the CMS Spread, and it is possible that you could receive no interest on the Notes at all for extended periods if the CMS Spread is equal to or less than the Strike during the term of the Notes," "—The amount of interest payable on the Notes will vary after the first year," "—The amount of interest payable on the Notes on each Floating Interest Rate Interest Payment Date is capped, and the amount of interest you will be entitled to receive may be less than the return you could earn on other investments with a comparable maturity" above and "—The value of the Notes prior to maturity and the CMS Spread will be influenced by many unpredictable factors, and the value of the Notes may be less than the Issue Price" below.

The Notes will not be listed or displayed on any securities exchange or quotation system, and there may be little or no secondary market for the Notes.

The Notes will not have an established trading market when issued and the Notes will not be listed or displayed on any securities exchange or quotation system; accordingly, there may be little or no secondary market for the Notes and, as such, information regarding independent market pricing for the Notes may be very limited or non-existent. Even if there is a secondary market, it may not provide enough liquidity to allow you to trade or sell the Notes easily. We, the Selling Agent and/or its affiliates may purchase and sell the Notes from time to time in the secondary market, but we, the Selling Agent and/or its affiliates are not obligated to do so. If we, the Selling Agent and/or its affiliates make such a market in the Notes, we, the Selling Agent and/or any such affiliate may stop doing so at any time and for any reason without notice. Because other dealers are not likely to make a secondary market for the Notes, the prices at which you may be able to trade your Notes will probably depend on the price, if any, at which we, the Selling Agent and/or its affiliates may be willing to buy the Notes. It is expected that transaction costs in any secondary market would be high and, as a result, the difference between bid and asked prices for your Notes in any secondary market could be substantial. There is no assurance that there will be a secondary market for any of the Notes. Accordingly, you should be willing to hold the Notes until the Maturity Date, and you may incur a loss if you sell the Notes prior to the Maturity Date or the Early Redemption Date, as applicable. In addition, the Selling Agent may, at any time, hold unsold inventory which may inhibit the development of a secondary market for the Notes.

The value of the Notes prior to maturity and the CMS Spread will be influenced by many unpredictable factors, and the value of the Notes may be less than the Issue Price.

The value of the Notes may be less than the Issue Price of the Notes. The value of the Notes may be affected by a number of factors that may either offset or magnify each other, including the following:

- the difference between 30 Year CMS Rate and 2 Year CMS Rate. In general, the value of the Notes will increase when the difference between the CMS Rates increases (to the extent that 30 Year CMS Rate is greater than 2 Year CMS Rate), and the value of the Notes will decrease when the difference between the CMS Rates decreases (to the extent that 30 Year CMS Rate is greater than 2 Year CMS Rate). Conversely, the value of the Notes will decrease when the difference between the CMS Rates increases (to the extent that 2 Year CMS Rate is greater than 30 Year CMS Rate), and the value of the Notes will increase when the difference between the CMS Rates decreases (to the extent that 2 Year CMS Rate is greater than 30 Year CMS Rate). Because short-term interest rates are more sensitive than long-term interest rates, a decreasing interest rate environment may increase the value of the Notes (by widening the spread between the short-term and long-term rates) while an increasing interest rate environment may decrease the value of the Notes (by narrowing the spread between the short-term and long-term rates);

- the volatility (i.e., the frequency and magnitude of changes in the level) of the difference between the CMS Rates, which may have an adverse impact on the value of the Notes;

- the fluctuations of the CMS Rates and the possibility that the interest rate on the Notes will decrease so that only the Minimum Interest Rate will be paid during the term of the Notes following the first year;

- the time remaining to maturity of the Notes; in particular, as a result of a "time premium," the Notes may have a value above that which would be expected based on the levels of interest rates and the levels of the CMS Rates at such time the longer the time remaining to maturity. A "time premium" results from expectations concerning the levels of the CMS Rates during the period prior to maturity of the Notes. As the time remaining to the maturity of the Notes decreases, this time premium will likely decrease and, depending on the levels of the CMS Rates at such time, may adversely affect the value of the Notes;

- the aggregate amount of the Notes outstanding;

- our right to redeem the Notes;