LLOYDS BANK

COMMERCIAL BANKING

KEY INFORMATION DOCUMENT

Purpose

This document provides you with key information about this investment product. It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this product and to help you compare it with other products.

Product

PRIIP Name: Callable Interest Rate Swap - European
PRIIP Manufacturer: Lloyds Bank plc. ("Lloyds Bank")
Call 0203 578 0064 for more information
Website: http://www.lloydsbankcommercial.com
Date of Production: 21/11/2026

You are about to purchase a product that is not simple and may be difficult to understand

What is this product?

Type: An Over the Counter (OTC) contract - Interest Rate Instrument
Objective:
The objective of this product is to manage adverse movements in interest rates that you may experience. Note that it may not provide you with complete protection against such exposures. The product achieves its objectives by Lloyds Bank agreeing the terms of an OTC contract with you under which you will pay a fixed rate of interest (Fixed Rate) on an agreed amount (Notional Amount) in return for Lloyds Bank paying you a floating rate of interest on the Notional Amount. Interest payments will be made over agreed periods (Interest Periods) until an agreed date (Maturity Date)
Sample parameters and pre-agreed circumstances and conditions are set out below:

Notional Amount	GBP 10,000	Floating Rate Benchmark	SONIA
Currency	GBP	Fixed Rate	5.6000 %
Maturity Date	5 Years	Interest Periods	Quarterly
Call Date	22/11/2030		

- On the first day of each Interest Period (defined above) Lloyds Bank will compare the Floating Rate Benchmark (defined above) to the Fixed Rate as follows:
- If the Floating Rate Benchmark is above the Fixed Rate Lloyds Bank will make a net payment to you based on the difference between the Floating Rate Benchmark and the Fixed Rate, calculated by reference to the Notional Amount.
- If the Floating Rate Benchmark is equal to the Fixed Rate no amounts are payable by either party.
- If the Floating Rate Benchmark is below the Fixed Rate you will make a net payment to you based on the difference between the Floating Rate Benchmark and the Fixed Rate, calculated by reference to the Notional Amount.

On the Call Date (defined above) you may exercise your right to terminate the agreement. If this right is not exercised, the agreement will continue until the Maturity Date.

Note that this key information document contains a worked example of the structure of the product, using a SONIA floating rate. Our proposed trade with you may be against other floating rates, but the structure of the payments due is the same.

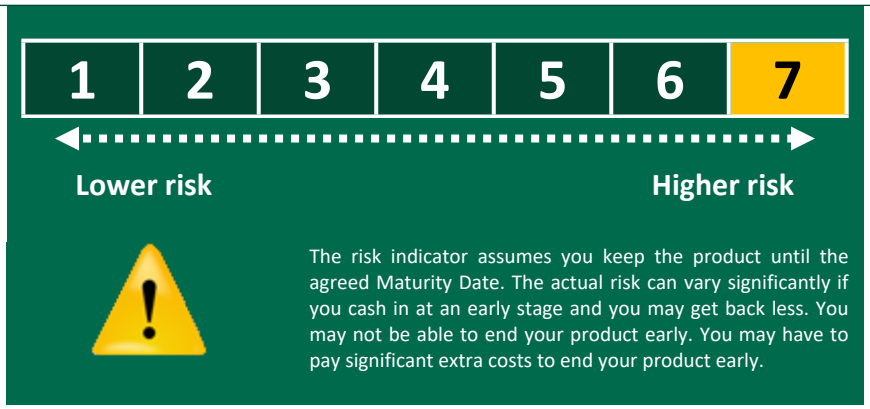
Intended Retail Investor:
This product is intended for retail investors with a short, medium or long time horizon who:

(i) have sufficient knowledge or experience to understand complex financial products; and
(ii) have a loan and want a level of protection against adverse movements in interest rates.

Term:
The term of the Callable Interest Rate Swap will depend on how long you wish to protect against adverse movements in interest rates and will be agreed with you before you enter into the Product. The product is a bilateral agreement that cannot ordinarily be terminated unilaterally by either you or Lloyds Bank, unless certain events of default or other termination events occur. In this case early termination payments may apply, and you may incur significant losses.

What are the risks and what could I get in return?

Risk Indicator:



The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because we are not able to pay you.
We have classified this product as 7 out of 7, which is the highest risk class. This rates the potential losses from future performance at a very high level. **Be aware of currency risk. Where you receive payments in a different currency the final return you get depends on the exchange rate between the two currencies. This risk is not reflected in the indicator shown above.** This product does not include any protection from future market performance so you could incur significant losses.
If we are not able to pay you what is owed you could incur significant losses.

Investment Performance Information

a) Factors likely to affect future returns

The factors affecting returns will also affect the product's performance. For this product, the floating rate is the main factor affecting return and what you will get will vary depending on how the floating rate performs against the fixed rate. Your return is also affected by your decision to terminate the transaction on the call date.

b) Most relevant Index

The most relevant index is the floating rate benchmark of the callable interest rate swap. The level of the floating rate during the life of the contract directly affects the performance and the expected range of returns for the Callable Interest Rate Swap.

c) What could affect my return positively?

If the floating rate increases above the fixed rate over a calculation period, we will make a payment to you. The higher the floating rate above the fixed rate, the more you will receive from us, and your return will be higher. Additionally, on the call date you have the right to exit at no cost or a payment due to you, which will increase your return.

d) What could affect my return negatively?

If the floating rate is below the fixed rate over a calculation period, you will make a payment to us. The lower the floating rate below the fixed rate, the more you will pay, and your return will be lower.

e) Performance in severely adverse market conditions

Floating interest rates can be zero, or even go negative. This means that you could end up paying each of the remaining fixed rate settlements and receive nothing, or even pay more than the fixed rate for each calculation period if the floating rate is negative.

What happens if Lloyds Bank plc. is unable to pay out?

You may be exposed to a risk that Lloyds Bank might be unable to fulfil its obligations in respect of the Callable Interest Rate Swap. The product is not protected by any local investor compensation or guarantee scheme. This means that if Lloyds Bank is unable to pay out, you may not receive any amount from Lloyds Bank under the product.

What are the costs?

The Reduction in Yield (RIY) shows what impact the total costs you pay will have on the performance of the product. The total costs take into account one-off, ongoing and incidental costs. The amounts shown here are the cumulative costs of the product itself, over the recommended holding period. They include potential early exit penalties. The figures assume a nominal value of £ 10,000. The figures are estimates and may change in the future.

Costs over time:

The person selling you this product may charge you other costs. If so, this person will provide you with information about these costs, and show you the impact that all costs will have on your investment over time.

Investment Scenarios [GBP 10,000]	If you cash in at the end of the recommended holding period
Total costs	GBP 270
Impact on return (RIY) per year	0.68 % each year

Composition of costs:

The table below shows:

- the impact each year of the different types of costs on the performance of the product at the end of the recommended holding period;
- the meaning of the different cost categories.

The costs below are the maximum values shown and will vary depending on the underlying parameters of the transaction.

This table shows the impact on return per year			
One-off costs	**Entry costs**	0.68 %	The impact of the costs you pay when entering your investment. This is the most you will pay, and you could pay less.
	Exit costs	0.00 %	The impact of the costs of exiting your investment when it matures.
Ongoing costs	**Portfolio transaction costs**	0.00 %	The impact of the costs of us buying and selling underlying investments for the product.
	Other ongoing costs	0.00 %	The impact of the costs we take each year for managing your investments.

How long should I hold it and can I take it out early?

Recommended holding period: This product is designed to be held to the Agreed Expiry Date or until such time that you exercise your right to terminate the agreement on the Call Date. It is a product designed to be entered into for its term and cannot be easily sold. Early termination may occur if certain events of default or other termination events occur, in which case early termination payments may apply.

Early exit impact: If the product is terminated early, outside of the agreed Call Date, in whole or in part, an Early Termination Payment may become payable by either you or Lloyds Bank. The Early Termination Payment is linked to market parameters and could be a substantial loss or gain to you. Settlement on early termination will be specific to your Callable Interest Rate Swap and will be influenced by a number of factors which include but are not limited to: whether it is an increasing or decreasing interest rate environment; the movement of the interest rates since the transaction Trade Date; the amount affected by the early termination.

The Early Termination Payment is not a penalty charge. The sum represents the economic value of what Lloyds Bank would have paid or received if the product continued as agreed. Depending on market conditions at the time of the early termination, the settlement calculated could result in a substantial amount being due from you to Lloyds Bank.

How can I complain?

Contact us

Should you have any complaints about the product, the conduct of Lloyds Bank and/or the person selling the product, please follow the below steps:

- Include the following information so we can resolve your complaint as quickly as possible: as much information as possible about your complaint; any actions you wish us to take to resolve your complaint;
- Contact your Relationship Manager
- Call us on **0800 072 3572** or **+441733 462 267**
- Contact us online at http://commercialbanking.lloydsbank.com/contact-us/; or
- Write to us at **Lloyds Banking Group, Customer Services, BX1 1LT**

Other Relevant Information

Additional relevant information may be set out in the confirmation, as supplemented and amended by the applicable definitions and the master agreement terms. These are available upon request from your Lloyds Bank representative. Information about your relationship with us can be found at http://www.lloydsbankcommercial.com.