



Lloyds TSB
Offshore Funds

Lloyds TSB Offshore

Multi Strategy Fund Limited

Key Features Document
January 2009

LLOYDS TSB OFFSHORE MULTI STRATEGY FUNDS LIMITED

SUPPLEMENT TO KEY FEATURES DOCUMENT

This document is a supplement (the "Supplement") to the Key Features Document dated January 2009 for Lloyds TSB Offshore Multi Strategy Funds Limited (the "Key Features Document"). This Supplement has been issued by Lloyds TSB Offshore Fund Managers Limited and has been approved by Lloyds TSB Private Banking Limited, which is authorised and regulated by the Financial Services Authority.

The Key Features Document should be read subject to the amendments and additions set out overleaf in this Supplement.

April 2009

Lloyds TSB Offshore Multi Strategy Funds Limited

The following amendments should be read in conjunction with the contents of the original Key Features Document.

Pages 1, 2 (Aims), 5 and 8 (Further information on the investments which can be held) and Application Form, Sections 5 (Data Protection) and 6 (Declarations and Signatures).

With effect from 19th January 2009, Lloyds TSB Group plc changed its name to Lloyds Banking Group plc. In Section 5 of the Application form, the paragraph “*The Lloyds TSB group includes all companies with the Lloyds TSB name, Cheltenham & Gloucester plc and Scottish Widows plc, and their associated companies.” should be replaced with ““Your Group” means the Lloyds Banking Group, which includes you and a number of other companies using brands including Lloyds TSB, Halifax and Bank of Scotland, and their associated companies. More information on the Lloyds Banking Group can be found at www.lloydsbankinggroup.com. For these purposes "associated companies" includes Lloyds Banking Group plc and any subsidiary, affiliate or other firm directly or indirectly controlled from time to time by either Lloyds Banking Group plc or you.” All other references to Lloyds TSB Group plc and the Lloyds TSB Group should now be read as Lloyds Banking Group plc and the Lloyds Banking Group respectively.

Dated April 2009

Important Notes

The value of investments and the income from them can go down as well as up and cannot be guaranteed.

An investment in a currency other than the shareholder's own currency or in a fund that invests in securities denominated in currencies other than its own base currency will be subject to the movement of foreign exchange rates. Consequently, investors may receive an amount greater or less than their original investment.

Growth in the value of the Cautious, Conservative, Balanced and Global US\$ Conservative Strategies will be achieved in part, through the generation of income, which will be distributed to shareholders and then reinvested.

Past performance should not be seen as an indication of future performance.

To ensure security for our customers and staff and to help maintain service quality, some calls may be recorded and may be monitored.

This brochure has been issued by Lloyds TSB Offshore Fund Managers Limited and approved by Lloyds TSB Private Banking Limited, which is authorised and regulated by the Financial Services Authority.

Lloyds TSB Offshore Fund Managers Limited is not, and is not required to be authorised under the Financial Services and Markets Act 2000 of the United Kingdom and therefore the rules of the UK Financial Services Authority and the United Kingdom Financial Services Compensation Scheme do not apply to the Funds and no cancellation rights apply, however the Funds are recognised under Section 270 of the Financial Services and Markets Act 2000.

Lloyds TSB Offshore Fund Managers Limited and Lloyds TSB Offshore Multi Strategy Fund Limited have both been authorised by the Jersey Financial Services Commission under the Collective Investment Funds (Jersey) Law, 1988.

Investors are protected under the Collective Investment Funds (Recognized Funds) (Compensation for Investors) (Jersey) Regulations 1988 in the event of the default of the Fund or the Manager.

The registered address of Lloyds TSB Offshore Fund Managers Limited and Lloyds TSB Offshore Multi Strategy Fund Limited is P.O. Box 160, 25 New Street, St Helier, Jersey JE4 8RG.

The supply of the product described in this document meets the provisions of The Distance Marketing of Consumer Financial Services Directive Instrument (2002/65/EC).

Please note that we are required to advise you of the possibility that there may be other costs or taxes imposed by third parties in connection with this product in addition to those described in this document. However, at the date of this document, the Directors are not aware of any such costs.

The information contained in this brochure does not constitute an invitation to buy or the solicitation of an offer to sell securities or accept deposits or to provide any other products or services in any jurisdiction to any person to whom it is unlawful to make such an offer or solicitation, nor should it be construed to constitute any investment advice.

Legislation or regulations in your home jurisdiction may prohibit you from entering into such a transaction with us. We reserve the right to make final determination on whether you are eligible for any products or services.

Residents or Nationals of certain jurisdictions may be subject to exchange controls and should seek independent advice before entering into any transactions with us.

Key features document

Introduction

Lloyds TSB Offshore Multi Strategy Fund Limited (“the Company”) was incorporated in Jersey on 20th July 2004 and will exist until dissolved by Special Resolution of its Shareholders. All Shares not previously redeemed, will be redeemed on 1st June 2104. The Company is an umbrella fund designed to provide investors with a range of different investment opportunities.

In the following pages, you will find details of the aims, risks and other principal features of the funds comprised within the Company. Please take the time to read this document carefully before investing. If you are unsure as to whether the Company is suitable for your needs, we strongly recommend that you contact your Financial Adviser for personal advice.

Please note that you may have to bear the cost of such advice.

This document should be read in conjunction with the Company’s Prospectus. Copies of the Prospectus, Annual Report and Audited Accounts and any subsequent interim report are available from the Manager, free of charge, on request.

Once you have read this information and decided to invest, you will find the application form on page 19.

Lloyds TSB Offshore Multi Strategy Fund Limited

Lloyds TSB Offshore Multi Strategy Fund Limited is a Jersey registered open ended investment company which provides investors with opportunities to invest in a range of cash, equity, gilt, corporate bond and property funds managed by members of the Lloyds Banking Group (including Scottish Widows Investment Partnership) and also to utilise funds managed by third parties.

There are eight share classes (“Funds”), each of which has a separate portfolio of investments to provide investors with opportunities to invest in a range of asset classes with different risk profiles. Each of the Funds is classified as a fund of funds under the Collective Investment Funds (Recognized Funds) (Rules)(Jersey) Order 2003.

Contact Details

Lloyds TSB Offshore Fund Managers Limited,
P.O. Box 311, 11-12 Esplanade, St. Helier, Jersey,
Channel Islands JE4 8ZU

Telephone: + 44 (0) 1534 845555

Facsimile: + 44 (0) 1534 845556

E-mail: funds@lloydstsb-offshore.com

Website: www.lloydstsb-offshore.com/funds

Aims

Investment Policy and Objectives

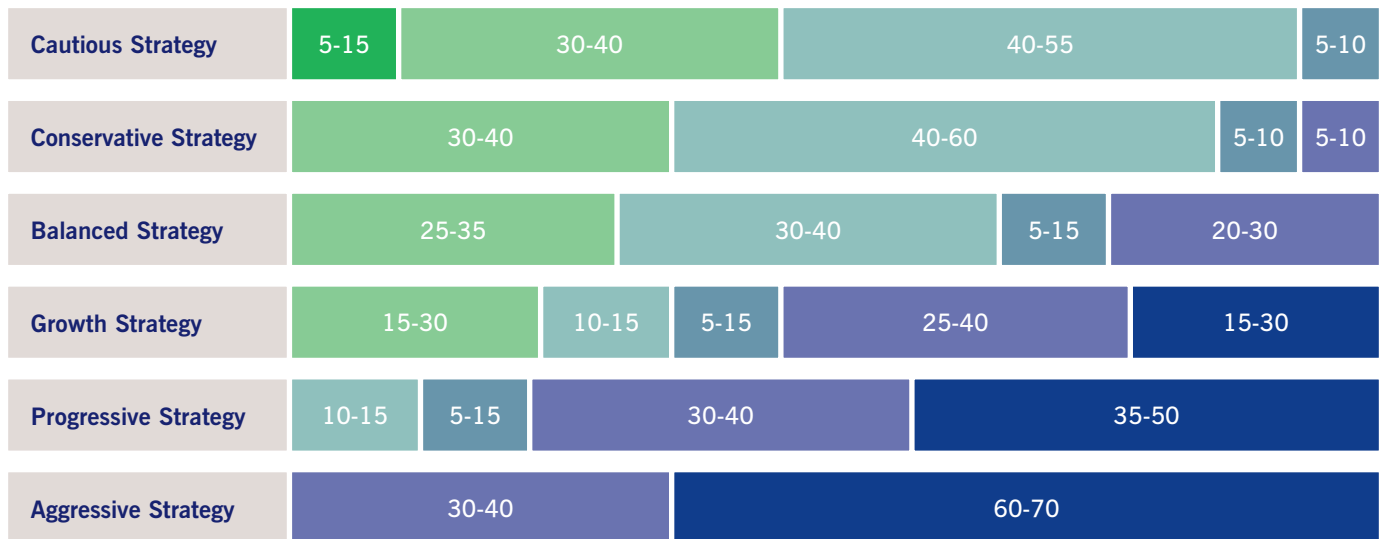
The policy of the Funds is to invest in a range of cash, equity, fixed interest and property funds managed by members of the Lloyds Banking Group (including Scottish Widows Investment Partnership Limited) and also to utilise other funds including multi-manager funds managed by the Russell Investment Group. In certain circumstances it may be necessary to supplement these investments with funds managed by other third parties.

The Funds may also hold cash deposits and other monetary instruments if necessary, in the opinion of the Manager, to enable Shares to be repurchased or for the efficient management of the Funds. The exact allocation of the assets of each Fund between the various asset classes will be decided by the Manager on the recommendation of the Asset Allocation Adviser.

Investors should note that it may not always be possible to achieve the asset allocations as described in the table and in the investment objectives detailed overleaf, particularly in times of volatile market conditions.

Sterling Fund Classes

Possible Spread of Investments (%)



■ Cash Funds
 ■ Gilt Funds
 ■ Corporate Bonds Funds
 ■ Property funds
 ■ UK Equity Funds
 ■ International Equity Funds

Objectives

Cautious Strategy

Objective Seek to provide a degree of capital security whilst providing potential for a moderate return achieved through investment in Corporate Bond and Gilt Funds together with a limited exposure to Cash and Property Funds, resulting in some potential fluctuation in capital value and return. Much of the growth in value achieved by this Strategy will be through the generation of income, which will be distributed to shareholders and reinvested

Investment in this Strategy carries a modest risk of loss to capital value and return.

Conservative Strategy

Objective Seek to provide a moderate return achieved through investment in Corporate Bond and Gilt Funds with a limited exposure to UK Equity and Property Funds. When compared to the Cautious Strategy, this Strategy introduces a small exposure to UK Equity Funds and contains a reduced exposure to Cash Funds. Much of the growth in value achieved by this Strategy will be through the generation of income, which will be distributed to shareholders and reinvested. Investment in this Strategy carries a modest risk of loss to capital value and return.

Balanced Strategy

Objective Seek to provide a balanced return achieved through investment in Corporate Bond, Gilt and UK Equity Funds with a limited exposure to Property Funds. There is a larger exposure to UK Equity Funds and a reduced exposure to Corporate Bond and Gilt Funds in this Strategy than in the Conservative Strategy. There is also a small increase in the exposure to Property Funds. This results in a moderate risk of loss to capital value and return in the short to medium term, but with a greater potential for growth over the medium to long term. Some of the growth in value of this Strategy will be achieved through the generation of income, which will be distributed to shareholders and reinvested.

Growth Strategy

Objective Seek to provide growth achieved through investment in UK Equity, Gilt, International Equity and Corporate Bond Funds with a limited exposure to Property Funds. When compared to the Balanced Strategy, this Strategy contains a higher UK Equity Fund content and an exposure to International Funds is introduced, adding to the diversification of investment by medium, currency and country. The exposure to Corporate Bond and Gilt Funds is reduced. This results in a greater risk of loss to capital value and return in the short to medium term, but increases the potential for growth over the medium to long term.

Progressive Strategy

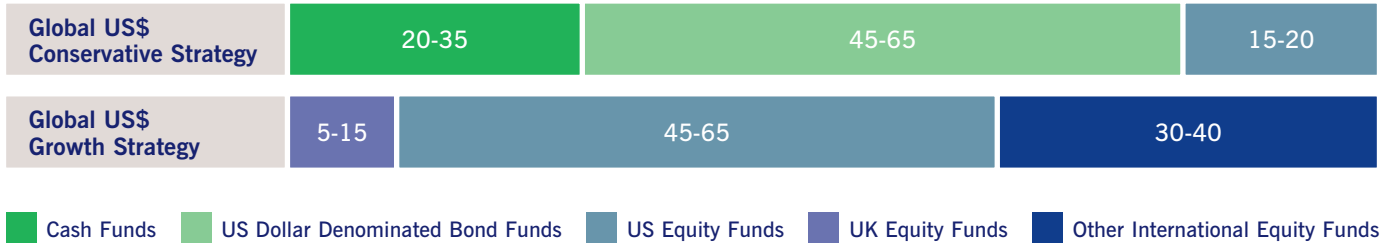
Objective Seek to provide a progressive return achieved through investment in International, UK Equity and Corporate Bond Funds and a limited exposure to Property Funds. When compared to the Growth Strategy, this Strategy contains an increased exposure to International Equity Funds, with a reduction in the Corporate Bond Fund content. There is likely to be a small increase in the UK Equity Fund content. This Strategy does not include Gilt Funds. This increases the risk of loss to capital value and return in the short to medium term but seeks to provide greater potential for growth over the medium to long term.

Aggressive Strategy

Objective Seek to provide adventurous growth achieved through investment in International Equity and UK Equity Funds. There is no exposure to Cash, Gilt, Corporate Bond or Property Funds. This Strategy carries a higher risk of loss to capital value and return, particularly in the short to medium term but with the potential for good growth over the medium to long term.

US Dollar Fund Classes

Possible Spread of Investments (%)



Objectives

Global US\$ Conservative Strategy

Objective Seek to provide the potential for a moderate return whilst maintaining a degree of capital security for US Dollar based investors through investment in Cash and US Dollar denominated Bond Funds, with a limited exposure to US Equity Funds. The nature of the investments will result in some fluctuation in capital value. Investment in this Strategy carries a modest risk of loss to capital value and return.

Global US\$ Growth Strategy

Objective Seek to provide capital growth for US Dollar based investors primarily through investment in a range of International Equity Funds and a limited exposure to UK Equity Funds. There is no exposure to Bond Funds or Cash Funds. This Strategy carries a higher risk of loss to capital value and return in the short to medium term than Strategies containing Bond or Cash Funds, however there is greater potential for growth over the medium to long term.

Further information on the investments which can be held

The investments into which the Fund may invest from time to time are described on the following pages. These investments may be supplemented by other permitted investments at the Manager's discretion.

Russell Investment Group

A portion of the investments of the Funds are in funds managed by Russell Investment Group ("Russell") to take advantage of the expertise offered by Russell through their management of multi-manager funds ("Russell Funds"). These funds harness the specialist skills of a range of investment managers and teams over a number of geographical or sectoral boundaries. Currently, it is proposed that investments will be in regulated multi-manager collective investment schemes managed by Russell. In addition to investments in funds managed by members of the Lloyds Banking Group and Russell, the Manager may, at its discretion, invest in other regulated multi-manager collective investment schemes.

The following Russell collective investment schemes have been approved by the Irish Financial Services Regulatory Authority as Undertakings for Collective Investment in Transferable Securities ("UCITS") within the meaning of UCITS regulations and are investment companies with variable capital incorporated under the laws of Ireland and administered in Dublin:

- Russell Investment Company plc**
- Russell Investment Company II plc**
- Multi-Style, Multi-Manager Funds PLC

**These schemes are recognised by the Financial Services Authority in the United Kingdom as recognised collective investment schemes.

These schemes are organised as umbrella funds, each with several underlying funds containing separate classes of shares. Each underlying fund is comprised of a distinct portfolio of investments. These funds are outlined on the following pages.

Russell Investment Group is a global provider of multi-manager investment products and services. Russell is headquartered in Tacoma, Washington, USA with additional offices in New York, Toronto, London, Paris, Amsterdam, Johannesburg, Singapore, Sydney, Auckland and Tokyo. The Manager of Russell Investment Company plc and Russell Investment Company II plc is Russell Investments (Ireland) Limited, a wholly owned subsidiary of Russell. The manager of Multi-Style, Multi-Manager Funds plc is SG/Russell Asset Management Limited.

These funds are multi-manager and each fund will normally have more than one investment adviser and the investment advisers will be reviewed on a regular basis by Russell.

The Russell collective investment funds in which the eight Funds may currently invest and their investment objectives are as follows. Other collective investment schemes may be utilised from time to time.

Russell Investment Company plc

Fund	Investment Objective
The Continental European Equity Fund	Aims to achieve capital appreciation by investing in equity securities, including common stock, convertibles and warrants, listed on regulated markets in European Countries apart from the UK.
The Emerging Markets Equity Fund	Aims to achieve capital appreciation by investing in common stock, convertibles and warrants of issuers in emerging markets in Asia, Latin America, Africa and Europe.
The Global Bond Fund	Aims to provide income and capital appreciation by investing in bonds which are primarily investment grade bonds denominated in a variety of currencies.
The Japan Equity Fund	Aims to achieve capital appreciation by investing in Japanese equity securities, including common stock, listed convertibles and warrants, quoted on a regulated market in Japan.
The Pacific Basin Equity Fund	Aims to achieve capital appreciation by investing in equity securities, including common stock, convertibles and warrants on regulated markets in Hong Kong, Singapore, Malaysia, China, Taiwan, Thailand, the Philippines, Korea, Indonesia, Australia and New Zealand or in new issues for which application for listing on a regulated market in those countries will be sought.
The Sterling Bond Fund	Aims to provide capital appreciation by investing primarily in UK fixed-interest securities.
The UK Equity Fund	Aims to achieve capital appreciation by investing in UK equity securities, including common stock, convertibles and warrants, listed on the regulated markets of the UK.
The US Bond Fund	Aims to provide income and capital appreciation by investing primarily in debt securities which are US dollar denominated, investment grade, fixed income securities.
The US Equity Fund	Aims to achieve capital appreciation by investing in US equity securities, including common stock, convertibles and warrants, listed on a regulated market in the US.

Russell Investment Company II plc

Fund	Investment Objective
UK Equity Plus Fund	Aims to provide total returns by investing in a portfolio of predominantly U.K. equities traded on U.K. stock exchanges, including convertibles, warrants, money market instruments, deposits and collective investment schemes. The U.K. Equity Plus Fund will seek to achieve its investment objective by investing in derivative instruments that have as their underlying exposure the foregoing (e.g. swaps and contracts for differences) and may implement bought (long) and synthetic short (sold) positions through the use of derivatives. The investments will be selected with a view to achieving the Fund's objective of providing total returns and focussed stock selection. In addition to investing in the foregoing instruments, the Fund may also invest up to 30 per cent. of its net assets in non-U.K. equities. The Fund may also invest in new issues for which application for listing on a Regulated Market will be sought.
The US Growth Fund	Aims to achieve capital appreciation by investing primarily in US equity securities including common stock, convertibles and warrants listed, traded or dealt on a regulated market in the US. It will be diversified and will pursue a policy of active stock selection with an emphasis on stocks with above average earnings growth and favourable earnings momentum.
The US Value Fund	Aims to achieve capital appreciation by investing primarily in US equity securities including common stock, convertibles and warrants listed, traded or dealt on regulated markets in the US. It will be diversified and will pursue a policy of active stock selection with an emphasis on stocks that appear to be undervalued on the basis of earnings, cashflow or private market value, in the markets in which it operates.

Multi-Style, Multi-Manager Funds PLC

Fund	Investment Objective
The Global Bond Fund	Aims to provide income and capital appreciation by investing in bonds which are primarily investment grade bonds denominated in a variety of currencies.

Lloyds TSB Offshore Funds

Lloyds TSB Offshore Fund Managers Limited currently manages a number of traditional offshore funds, investing in cash, equity and fixed interest securities. It is intended that the Manager may invest the Funds' assets into certain of these funds in

appropriate circumstances. Other collective investment schemes managed by Lloyds TSB Offshore Fund Managers Limited may be utilised in the future.

Fund	Investment Objective
Lloyds TSB Money Fund Limited – US Dollar Class	Aims to achieve a competitive rate of return so far as is commensurate with minimum risk, through investment in bank and building society deposits.
Lloyds TSB Offshore Funds Limited – High Income Fund	To seek a high income from a spread of fixed interest securities.
Lloyds TSB Offshore Funds Limited – Sterling Bond Fund	To provide a regular income from a managed portfolio of sterling fixed interest securities with a particular emphasis on those securities on which interest is paid gross to non-residents of the United Kingdom.
Lloyds TSB Offshore Funds Limited – Sterling Deposit Fund	To maintain the capital value of the Shares and to maximise income primarily through investment in bank and building society deposits, fixed interest securities and other monetary instruments denominated in sterling.
Lloyds TSB Offshore Gilt Fund Limited	To seek an opportunity for a good level of income through investment in a managed portfolio of British Government Securities which also provide a measure of capital protection.
Lloydstrust Gilt Fund Limited	Aims to provide an opportunity for a good level of income through investment in a managed portfolio of British Government Securities which also provide a measure of capital protection.

Scottish Widows Investment Partnership Limited

Established in 1815, Scottish Widows Investment Partnership (“SWIP”) is one of the UK’s largest asset managers. Being members of the Scottish Widows, and consequently Lloyds Banking Group of companies has enabled SWIP to build on their

position of strength in the UK to develop on a global basis. With over £84 billion* of funds under management they are one of Europe’s largest fund management companies.

Fund	Investment Objective
Multi-Manager ICVC – Multi-Manager Global Real Estate Securities Fund	Aims to provide a total return by investing at least two-thirds of the Fund’s total assets in transferable securities of listed companies and other vehicles, including Real Estate Investment Trusts (“REITs”), and collective investment schemes, each of whose main activities include the ownership, management and/or development of real estate around the world. The Fund may also invest the remaining portion of its assets in other equities, in new issues for which application for listing on a stock exchange will be sought, in other transferable securities and in convertibles, warrants, cash, near cash, money market instruments, deposits and in other collective investment schemes.
SWIP Global Liquidity Fund Plc – US dollar class	Aims to maximise current income consistent with the preservation of capital and liquidity by investing in a diversified portfolio of high quality US dollar denominated short term debt related instruments.

* Source: Scottish Widows Investment Partnership Limited (September 2008).

Your Investment

The minimum initial investment is £10,000 (or currency equivalent) or £100, US\$200 or €200 per month through the Regular Savings Plan (see Page 12). Additional investments in any Fund may be made at any time subject to a minimum amount of £1,000 (or currency equivalent).

Risk Factors

It should be remembered that the price of Shares and the income from them can go down as well as up. Consequently, and particularly in the case of early encashment, you might not get back the amount originally invested. Dividends are not guaranteed and may fluctuate in money terms.

You should consider holding your investment on a medium to long-term basis, for a minimum of five years but preferably ten years or more.

The choice of fund management groups outlined in this brochure may change.

Past performance should not be seen as an indication of future performance.

Market price risk

Investments in the underlying funds are principally in equities, fixed interest securities, property related assets and bank deposits dependent on each Fund's investment policy. The value of these is not fixed (other than bank deposits) and may go down as well as up. This may be the result of a specific factor affecting the value of an individual stock or asset or be caused by general market factors (such as interest rates, government policy or the health of the underlying economy) which could affect the entire portfolio of a Fund. Each Fund will invest in a portfolio of funds in line with its investment objectives and policy as detailed on pages 2-4.

In the case of equity based funds, the nature of the markets in which these funds invest means that the short term returns may be volatile.

If any of the Funds hold any interest bearing instruments directly or indirectly (via underlying funds), at least 90% of these instruments must have a credit rating of "investment grade" as provided by Moodys Investor Services Ltd, Standard and Poor's or Fitch Ratings Limited. These instruments could include inter alia money market instruments, bonds, gilts, corporate bonds etc.

Interest rate risk

Each Fund receives income from its various investments. The income received by each Fund is not fixed in nature. It is derived from the securities held in the portfolio of each underlying fund which may be varied from time to time in accordance with its investment objective and policy.

Liquidity risk

Each Fund's financial assets are considered to be readily realisable. On certain occasions this may not be possible such as at times of high volatility of world stock markets or where a stock exchange is closed or has suspending trading thereby preventing the funds in which the various strategies invest from valuing their assets accurately.

The Manager manages each Fund's cash to meet its liabilities. Where investments cannot be realised in time to meet any redemptions of Shares, each Fund may borrow up to 10% of its value to ensure settlement of its liabilities.

Foreign currency risk

The Global US\$ Conservative Strategy and Global US\$ Growth Strategy are denominated in US dollars. Each of the other Strategies is denominated in sterling.

Shareholders: Investors will need to consider the implications of investing in a Fund with a base currency which is different to their own reference currency. Such investments will be subject to the movement of foreign exchange rates which may cause additional favourable or unfavourable changes in value.

Funds: With the exception of the Global US Dollar Conservative Strategy, each Fund may purchase securities denominated in a currency other than its base currency, and hence take a position in other currencies. A substantial portion of the financial assets of some of the Funds are denominated in currencies other than their base currency with the effect that the balance sheet and each Fund's total return can be significantly affected by currency movements.

In respect of foreign currency exposure derivative instruments will only be utilised where a forward exchange or currency option will be used for the purpose of reduction of foreign currency risk in order to hedge this exposure back to the base currency of the Fund.

Derivatives

In the case of the Company and the underlying funds, derivatives will only be used where they accord with existing investment objectives and policy. They may not be used independently of investment strategy in respect of the underlying physical assets or for merely speculative purposes. Derivatives will only be used for efficient portfolio management.

Derivatives may not be used for the purpose of gearing or leveraging or for purposes of producing, enhancing or generating income. No Derivative can be traded on an OTC basis, and no uncovered positions, where any liability is not matched by corresponding physical assets, are allowed.

Counterparty risk

Certain transactions that the Company enters into expose it to the risk that the counter-party will not deliver the investment (purchase) or cash (sale) after the Company has fulfilled its responsibilities.

It is the policy of the Manager to buy and sell investments only through approved brokers, or directly with the fund manager.

Capital risk

Where the objective of the underlying fund seeks to provide high or good levels of income, the investment policy which supports this may result in a gradual reduction in the capital value of the underlying fund's shares, except where bond prices are generally rising.

Cross Fund Liability

Shareholders should be aware that in the event of the Company being unable to meet liabilities attributable to any particular Fund out of the assets attributable to such Fund or share class, the excess liabilities may have to be met out of the assets attributable to the other Funds or share classes.

Other risks

Our charges may have to rise in the future which could reduce the value of your investment.

The tax levels and reliefs are those applicable as at October 2008 and may change. The value of any tax advantage will depend on your individual circumstances. The taxation basis of the Company may change, with retrospective effect.

Investors should be aware that all or most of the protections afforded by the United Kingdom regulatory system do not apply.

Your questions answered

What are the product characteristics?

Lloyds TSB Offshore Multi Strategy Fund Limited is a collective investment scheme and is organised as an investment company. It operates in a similar manner to unit trusts or mutual funds. The principle of collective investment schemes is that your money is pooled with that of other investors to make up the scheme. This enables professional investment management and facilitates diversification.

Lloyds TSB Offshore Multi Strategy Fund Limited currently has eight classes each with a separate pool of assets and its Directors may create further classes from time to time. The Company issues Shares to represent each investor's proportional interest in a Fund. The Company holds a permit under the Collective Investment Funds (Jersey) Law, 1988 as amended and is recognised in the United Kingdom under Section 270 of the Financial Services and Markets Act 2000.

How do I invest?

Applications may normally be made on any business day in Jersey between the hours of 9.00am and 5.00pm.

Minimum initial lump sum investment in any one Fund is £10,000 (or currency equivalent). Subsequent investments must be for a minimum of £1,000 (or currency equivalent).

You may:-

- Contact your Financial Adviser; or
- Complete the application form on page 19 and send this together with your cheque in settlement to the Manager at the address shown on the application form or alternatively complete the Electronic Funds Transfer Form and enclose this with your application form. Please refer to Section 8 of the application form for anti-money laundering requirements and ensure that any documentation required is enclosed with your application form.
- Investments can only be made on receipt of cleared funds, a completed application form and supporting documents.

For investments in the Regular Savings Plan see page 12.

Will I receive an income?

Sterling Fund Classes

Dividends in the sterling denominated strategies will be reinvested unless you notify us otherwise.

The objective of the Fund is to provide long-term capital growth. Dividends will be reinvested unless you notify us otherwise.

When dividends are reinvested they are paid to the Manager who will purchase additional Shares in the same Fund at the first available dealing price following the payment of the dividend.

Dividends, which may be subject to tax in the hands of the investor, are currently paid gross except in the following circumstances:

- Jersey residents where Jersey Tax is deducted.

It is the responsibility of the investor to account to the relevant tax authority for any tax due on income received.

The Directors and the Manager intend to distribute substantially the whole of the net income of each Fund, if any, by way of an annual dividend payable on 22nd July each year. The Manager estimates the Income Yield based upon the current dealing price and the anticipated dividend rate for each Strategy.

The estimated yields on 31st December 2008 were:

Lloyds TSB Offshore Multi Strategy Fund Limited	
	Income Yield
Cautious Strategy	3.96%
Conservative Strategy	3.64%
Balanced Strategy	2.91%
Growth Strategy	1.77%
Progressive Strategy	0.75%
Aggressive Strategy	0.00%

The estimated yields of each of the Funds differ because they each have different aims and holdings.

US Dollar Fund Classes

The US dollar strategies take the form of roll-up funds which means that no dividends are paid. Any income earned by the funds will be accumulated and reflected in the share price.

At what price will I buy shares?

The Manager calculates the dealing prices at which you may buy and sell Shares; the calculation of these prices is based upon the Manager's valuation of each Fund's portfolio on a mid price basis.

Shares will be purchased at the dealing price, plus the initial charge and any applicable dilution levy and shares will be redeemed at the dealing price, less any applicable dilution levy. On 31st December 2008 (the latest practical date available prior to publication of this document) the difference between the cost of buying and redeeming shares in each of the funds was as follows: 4.00% of the amount invested for the Cautious, Conservative and Global US\$ Conservative Strategies and 5.00% of the amount

invested for the remaining Strategies.

Each Fund is generally valued at 10.00am each Dealing Day. Applications received by letter post by the close of business on the business day immediately preceding the relevant Dealing Day will be transacted at the next valuation point. Applications received by other means must be received no later than the valuation point on that Dealing Day in order to be transacted at that valuation point, otherwise they will be held over and transacted on the following Dealing Day.

Dealing prices of Shares are published periodically in appropriate newspapers. Prices quoted in this way will be the latest available prices prior to that publication's printing deadlines and will not therefore be the prices at which transactions will be effected on the day such prices are published. The date at which the prices were calculated will be included in the publication. Please note that the Manager cannot accept responsibility for the accuracy of the information published in newspapers. For current prices you should telephone us on +44 (0) 1534 845555.

Regular Savings Plan

The Regular Savings Plan is available in sterling in respect of all Funds with a minimum investment of £100 per month per Fund selected.

In addition to being available in sterling the Regular Savings Plan is also available in US dollars and euro to individuals who hold Lloyds TSB international accounts in US dollar and / or euro. The minimum investment is US\$200 or €200 per month per Fund selected.

Deals carried out under the Regular Savings Plan will be carried out on the last business day of each month. Investors' sterling bank accounts will be debited after the 20th of each month by Direct Debit. If an investor is investing in more than one Fund, his account will be debited by a separate Direct Debit for each Fund, although only one Direct Debit form needs to be completed.

Deals carried out in US dollars and / or euro will be carried out on the last business day of each month. Investors' currency accounts will be debited on or after the 22nd of each month by Standing Order. An investor saving in more than one Fund will have their account debited by a separate Standing Order for each Fund, although only one Standing Order form should be completed for each currency. An investor wishing to save in both US dollars and euro should complete a separate Standing Order form for each currency.

Dividends must be reinvested in the purchase of further Shares in the same Fund.

Shareholders wishing to stop investing in the Regular Savings

Plan should inform the Manager in writing, as well as cancelling their Standing Order with the branch which holds the account. The Manager will stop all further investments. The Shares acquired may be retained at the investor's option where payments equal to or greater than the Minimum Holding have been made. Otherwise they will be sold by the Manager and the proceeds remitted to the investor. Please ensure that Lloyds TSB Offshore Fund Managers Limited are informed of any changes to payment amounts and/or currencies. Failure to advise details of any changes may cause delay in processing payments and deals.

How often do the prices of shares change?

Each Fund is normally valued at 10.00am on each business day for the purpose of calculating the dealing prices. All Funds are priced in sterling, US dollars and euro.

How can I sell my holdings?

You can sell all or part of your share holdings subject to retaining the minimum initial investment in any of the Funds normally on any business day in Jersey between the hours of 9.00am and 5.00pm. Each Fund is generally valued at 10.00am each Dealing Day. Repurchase requests received by letter post by the close of business on the business day immediately preceding the relevant Dealing Day will be transacted at the dealing price, less any applicable dilution levy at the next valuation point. Repurchase requests received by other means must be received no later than the valuation point on that Dealing Day in order to be transacted at that valuation point, otherwise they will be held over and transacted at the valuation point on the following Dealing Day. Settlement will normally be paid on the due settlement date to the bank and account nominated in section 3 of the application form. If this is not practical or where no Nominated Bank Account details have been given, we will send you a cheque (at your own risk) within 5 working days of receiving your original written request, signed by all shareholders and any relevant share certificate(s) that have been issued. Settlement will only be made to, or for the account of, the registered Shareholder(s).

Can I switch my investment between strategies?

You may exchange Shares of one Fund for Shares of another Fund subject to the amount exchanged being £10,000 or the currency equivalent. The Manager may make a charge equal to the difference in the initial charge previously paid on the Shares being exchanged and the current initial charge on the Shares being acquired. Otherwise Shares being exchanged will be sold at that Fund's dealing price less any applicable dilution levy and the Shares being acquired will be purchased at that Fund's dealing price plus any applicable dilution levy. The first two

switches in any annual accounting period will be free of charge, otherwise the Manager may make a charge in accordance with local regulations. Where such charge is of a fixed amount, it will not exceed £50 per switch.

What is the tax position of the Company?

With effect from 1st January 2009 the Company will be liable to be charged to tax at a rate of 0% under Schedule D under the Income Tax (Jersey) Law 1961, as amended (the "Income Tax Law") in respect of (i) the income or profits of any trade carried on by the Company in Jersey or elsewhere, (ii) any interest of money, whether yearly or otherwise, or other annual payment paid to the Company, whether such payment is made within or out of Jersey, (iii) dividends and other distributions of a company regarded as resident in Jersey paid to the Company, (iv) income arising to the Company from securities out of Jersey and (v) any other income of the Company that is not derived from the ownership or disposal of land in Jersey. It is not expected that the Company will be in receipt of income charged to tax under any Schedule under Income tax Law other than Schedule D. As such the Company will no longer be subject to the payment of tax in Jersey.

What is the tax position of Investors?

The tax information contained in this document is based upon Lloyds TSB's interpretation of current law and practice as at October 2008 and is, therefore, liable to be changed by any subsequent Act or budget, or amendment thereto, which could be with retrospective effect.

It is the responsibility of the investor to account to the relevant tax authority for any tax due on income received. Tax treatment depends on the individual circumstances of the investor and prospective shareholders should inform themselves of, and where appropriate take advice on, the tax consequences applicable to the subscription, holding and redemption of Shares in their country of citizenship, residence or domicile.

Jersey does not levy taxes on capital, inheritance, capital gains or gifts.

It will be necessary to take out a Jersey Grant of Probate or Letters of Administration on which stamp duty is payable on the death of a sole holder of Shares. Other than personal application by the appointed Executor/Administrator, they may only be obtained through a Jersey advocate or solicitor or authorised Jersey trust company, which will be at a charge.

The Manager may, at its absolute discretion, waive the requirement for Jersey Grant of Probate or Letters of

Administration on receipt of satisfactory documentary or other information as to entitlement and security where:-

- the shareholder dies domiciled in the United Kingdom, Guernsey or the Isle of Man; and
- the aggregate value of the deceased's Jersey estate held by the Company does not exceed £10,000 (or other amount prescribed from time to time); and
- where the release of the asset is to the person who would be entitled to receive such asset under a will or intestacy. The Manager may require an indemnity from the receiving party for such payment to be made.

Jersey Investors

Jersey Income Tax at the prevailing rate will be deducted from dividends paid to Jersey residents.

United Kingdom Investors

Income tax

(i) Income tax is payable on dividends paid at 10% or 32.5% depending upon their personal circumstances. Individuals may benefit from personal or other reliefs in respect of dividends paid.

Capital gains tax

(ii) Capital gains tax is payable on net gains realised in any financial year which exceed the current exemption limit.

Further details of the taxation basis and levels can be found in the Company's prospectus.

What information will I receive?

Applications will not be acknowledged, however we will send you a contract note detailing the terms of your investment on the next business day after your transaction is effected, except in the case of regular savers who will receive a half yearly statement.

Share certificates are not issued.

We will send you the Company's Report and Accounts within four months of the annual accounting date and the interim accounting date. Statements of the value of your holdings will be sent to you at the same time. Valuations at alternative dates can be sent to you on request.

If you want to keep up to date with the latest value of your investment you may want to consider signing up to our Online Portfolio Service. This service is offered at no cost to the investor and enables you to access details of your investment online. For details visit www.lloydstsb-offshore.com/funds

How will charges and expenses affect my investment?

The effect of charges and expenses on an investment of £10,000 is set out in the tables appearing on the next two pages. An assumed growth rate of 7.0% is used for all Funds. The assumed growth rate is not guaranteed and is not necessarily representative and is purely used for the purposes of demonstrating the effect of charges and expenses on an investment of £10,000. Income is reinvested.

The buying price of shares includes an initial charge and each month an amount equal to 1/12 of a Fund's annual management fee will be deducted from the Fund for the benefit of the Manager.

In addition, certain expenses are charged to each Fund and these charges are taken into account when determining the price of Shares. These costs include Custodian fees, regulatory fees, auditors fees and printing costs.

All fees and expenses are taken from income.

These charges are summarised below:-

Lloyds TSB Offshore Multi Strategy Fund Limited			
	Initial Charge %	Management Fee %	Other Expenses %
Cautious	4.00	1.00	0.28
Conservative	4.00	1.25	0.22
Balanced	5.00	1.25	0.26
Growth	5.00	1.50	0.25
Progressive	5.00	1.75	0.29
Aggressive	5.00	1.75	0.29
Global US\$ Conservative	4.00	1.25	0.34
Global US\$ Growth	5.00	1.75	0.35

Shares are purchased and redeemed at the dealing price. Any difference between these prices is restricted to the amount of the initial charge and any applicable dilution levies.

Cautious Strategy

At end of year	Investment to date	Effect of deductions to date	What you might get back at 4% per annum
1	£1,000	£56	£983
3		£91	£1,030
5		£130	£1,080
10		£251	£1,220

Whilst 6% is the standard rate used for comparison, we have used a reduced growth rate of 4% as we feel it is more appropriate in this circumstance given the nature of the fund.

The last line in the table shows that over 10 years the effect of total charges and expenses could amount to £251. Putting it another way, this would have the same effect as bringing the illustrated growth from 4% a year down to 2.1%.

Conservative Strategy

At end of year	Investment to date	Effect of deductions to date	What you might get back at 4% per annum
1	£1,000	£58	£981
3		£96	£1,020
5		£140	£1,070
10		£272	£1,200

Whilst 6% is the standard rate used for comparison, we have used a reduced growth rate of 4% as we feel it is more appropriate in this circumstance given the nature of the fund.

The last line in the table shows that over 10 years the effect of total charges and expenses could amount to £272. Putting it another way, this would have the same effect as bringing the illustrated growth from 4% a year down to 1.9%.

Balanced Strategy

At end of year	Investment to date	Effect of deductions to date	What you might get back at 4% per annum
1	£1,000	£68	£971
3		£108	£1,010
5		£153	£1,060
10		£290	£1,190

Whilst 6% is the standard rate used for comparison, we have used a reduced growth rate of 4% as we feel it is more appropriate in this circumstance given the nature of the fund.

The last line in the table shows that over 10 years the effect of total charges and expenses could amount to £290. Putting it another way, this would have the same effect as bringing the illustrated growth from 4% a year down to 1.8%.

Growth Strategy

At end of year	Investment to date	Effect of deductions to date	What you might get back at 6% per annum
1	£1,000	£71	£988
3		£120	£1,070
5		£179	£1,150
10		£376	£1,410

We have assumed a growth rate of 6% per annum. This is a standard rate used for comparison purposes.

The last line in the table shows that over 10 years the effect of total charges and expenses could amount to £376. Putting it another way, this would have the same effect as bringing the illustrated growth from 6% a year down to 3.5%.

Progressive Strategy

At end of year	Investment to date	Effect of deductions to date	What you might get back at 6% per annum
1	£1,000	£74	£985
3		£128	£1,060
5		£193	£1,140
10		£409	£1,380

We have assumed a growth rate of 6% per annum. This is a standard rate used for comparison purposes.

The last line in the table shows that over 10 years the effect of total charges and expenses could amount to £409. Putting it another way, this would have the same effect as bringing the illustrated growth from 6% a year down to 3.3%.

Aggressive Strategy

At end of year	Investment to date	Effect of deductions to date	What you might get back at 6% per annum
1	£1,000	£73	£986
3		£127	£1,060
5		£190	£1,140
10		£404	£1,380

We have assumed a growth rate of 6% per annum. This is a standard rate used for comparison purposes.

The last line in the table shows that over 10 years the effect of total charges and expenses could amount to £404. Putting it another way, this would have the same effect as bringing the illustrated growth from 6% a year down to 3.3%.

Global US\$ Conservative Strategy

At end of year	Investment to date	Effect of deductions to date	What you might get back at 4% per annum
1	\$1,000	\$58	\$981
3		\$97	\$1,020
5		\$141	\$1,070
10		\$276	\$1,200

Whilst 6% is the standard rate used for comparison, we have used a reduced growth rate of 4% as we feel it is more appropriate in this circumstance given the nature of the fund.

The last line in the table shows that over 10 years the effect of total charges and expenses could amount to \$276. Putting it another way, this would have the same effect as bringing the illustrated growth from 4% a year down to 1.9%.

Global US\$ Growth Strategy

At end of year	Investment to date	Effect of deductions to date	What you might get back at 6% per annum
1	\$1,000	\$74	\$985
3		\$129	\$1,060
5		\$194	\$1,140
10		\$412	\$1,370

We have assumed a growth rate of 6% per annum. This is a standard rate used for comparison purposes.

The last line in the table shows that over 10 years the effect of total charges and expenses could amount to \$412. Putting it another way, this would have the same effect as bringing the illustrated growth from 6% a year down to 3.3%.

How much will any advice cost?

Your financial adviser will give you details about his/her own costs. The amount may depend upon the size of your investment and in the case of regular savings, the period for which you make them.

Commission may be payable to approved intermediaries upon the purchase of Shares. It will be paid out of the Manager's charges and not those of the Company.

Further information

Can I change my mind?

The cooling off period applicable to UK unit trusts does not apply to offshore funds. You can however, sell your investment as explained on page 12.

Who is the Manager?

Lloyds TSB Offshore Fund Managers Limited, Registered Office
P.O. Box 160, 25 New Street, St. Helier, Jersey, Channel Islands JE4 8RG.

Principal Place of Business
P.O. Box 311, 11 -12 Esplanade, St Helier, Jersey,
Channel Islands JE4 8ZU.

The Manager holds a permit under the Collective Investment Funds (Jersey) Law, 1988, as amended.

Who is the Custodian?

Capita Trust Company (Jersey) Limited,
Registered Office
12 Castle Street,, St Helier, Jersey JE2 3RT

The Custodian holds a permit under the Collective Investment Funds (Jersey) Law, 1988, as amended.

Who is the Asset Allocation Adviser?

Scottish Widows Investment Partnership Limited, 10 Fleet Place, London EC4M 7RH, England which is authorised and regulated by the Financial Services Authority of the United Kingdom.

Information concerning commission is available on request from the Manager and will be included in the information sent to you upon the purchase of Shares.

Any commission due other than trail commission will normally be paid within one month of the Shares being entered on to the register of Shareholders, subject to the completion of any necessary documentation.

Who is the Auditor?

PricewaterhouseCoopers CI LLP, Twenty Two Colomberie,
St Helier, Jersey, Channel Islands JE1 4XA.

Who is the Regulator?

Jersey Financial Services Commission, PO Box 267,
14 – 18 Castle Street, St. Helier, Jersey,
Channel Islands JE4 8TP.

What can I do if I want to complain?

Complaints should be sent to the Manager who will investigate all complaints. A leaflet entitled "How to voice your concerns – resolving your complaints with us" is available from the Manager or on application in writing from P.O. Box 160, 25 New Street, St. Helier, Jersey JE4 8RG. If you are not satisfied you have the right to complain directly to the Jersey Financial Services Commission, P.O. Box 267, 14 – 18 Castle Street, St. Helier, Jersey, Channel Islands JE4 8TP.

What are the compensation arrangements?

The Financial Services and Markets Act 2000 of the United Kingdom and the rules and regulations of the Financial Services Compensation Scheme made under that Act do not apply to the Company. Investors are however protected under the Collective Investment Funds (Recognized Funds) (Compensation for Investors) (Jersey) Regulations 1988 in the event of the default of the Fund or the Manager.

Where can I get further information?

In the first instance, contact your Financial Adviser or the Manager. Copies of the Company's Prospectus and the most recent annual and any subsequent interim Report and Accounts may be obtained free of charge on request from the Manager.

Information disclosure

The Manager conducts its business in accordance with legal and regulatory requirements locally, including anti-money laundering requirements which require the Manager to disclose information that would otherwise be confidential in circumstances where the Manager suspects its client of benefiting from or engaging in criminal activity including tax fraud.

In what jurisdictions is the Company authorised?

Cyprus – The Company and its sub-funds have been granted authorisation to market their shares in the Republic of Cyprus through Lloyds TSB Offshore Limited by virtue of sub sections (3)(a) and (5) of section 130 of the Open Ended Undertakings for Collective Investment in Transferable Securities (UCITS) and Related Issues Law of 2004.

Gibraltar – The Company is a recognised scheme under the provisions of Section 40 of the Financial Services (Collective Investment Schemes) Ordinance 2005.

Guernsey – The Company is authorised to be promoted in Guernsey by Lloyds TSB Offshore Limited under the Protection of Investors (Bailiwick of Guernsey) Law, 1987.

Isle of Man – The Company is a recognised scheme under Paragraph 1 of Schedule 4 of the Collective Investment Schemes Act 2008 (CIS Act 2008”) of the Isle of Man.

Republic of Ireland – The Company has been approved to market its shares to the public in the Republic of Ireland by the Central Bank of Ireland.

South Africa – The Company has been approved for sale by the South African Financial Services Board under section 65 of the Collective Investment Schemes Control Act 2002.

United Kingdom – The Company has been classed as a ‘recognised’ scheme by the Financial Services Authority.

Please Note

This document was printed in January 2009.

It is normally reviewed annually so some of the information in it may have since changed.

If you wish to check any of the information, you should contact your Financial Adviser or the Manager.

The annual and initial charges and spreads shown in this document and used in the calculation of the effects of charges were those current on 31st December 2008.

The ‘other expenses’ have been estimated by the Manager using the last published audited Report and Accounts.

Contact Details

Lloyds TSB Offshore Fund Managers Limited,
P.O. Box 311, 11-12 Esplanade, St. Helier, Jersey,
Channel Islands JE4 8ZU

Telephone: + 44 (0) 1534 845555

Facsimile: + 44 (0) 1534 845556

E-mail: funds@lloydstsb-offshore.com

Website: www.lloydstsb-offshore.com/funds

E-mail Policy

Please note that messages sent by email may not be secure and may be intercepted by third parties. For these reasons, please do not use e-mail to send us communications which contain confidential information or instructions as we require these instructions to be in writing. If you disregard this warning and choose to send us confidential information, you agree that you do so at your own risk and that you will not hold the Manager responsible for any loss you suffer as a result.

If your e-mail message contains any instructions in relation to your account it will be ignored and as a consequence we will not:

- Purchase, sell, redeem, repurchase, exchange or convert Shares in any fund,
- Transfer funds,
- Make payments of any kind,
- Stop payments,
- Change personal data,
- Provide valuations.

www.lloydstsb-offshore.com/funds

