

Dated 30 December 1996

**CERTIFIED TO BE
A TRUE COPY**

*Linklaters & Paines
20 January 1997*

LLOYDS TSB GROUP PLC

and

LLOYDS BANK PLC

AGREEMENT

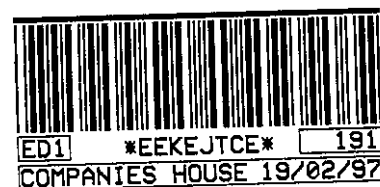
relating to the sale and purchase
of shares in the capital of
Lloyds Abbey Life plc

LINKLATERS & PAINES

Barrington House
59-67 Gresham Street
London EC2V 7JA

Tel: 0171-606 7080

Ref: DLW/JOMH



AGREEMENT FOR SALE AND PURCHASE OF SHARES

This Agreement is made on 30 December 1996 between:

- (1) **LLOYDS TSB GROUP PLC** whose registered office is at Henry Duncan House, 120 George Street, Edinburgh EH2 4LH (the "Vendor"); and
- (2) **LLOYDS BANK PLC** whose registered office is at 71 Lombard Street, London EC3P 3BS (the "Purchaser").

It is agreed as follows:

1 Interpretation

In this Agreement the headings shall not affect its interpretation and, unless the context otherwise requires:

"Company" means Lloyds Abbey Life plc, incorporated in England and Wales with registered number 966096;

"Completion" means the completion of the sale and purchase of the Shares pursuant to Clause 4;

"Consideration Shares" means the 144,000,000 ordinary shares of £1 each in the capital of the Purchaser to be allotted and issued by the Purchaser credited as fully paid as purchase consideration pursuant to Clause 3;

"Encumbrance" means any claim, charge, mortgage, security, lien, option, equity, power of sale or hypothecation;

"Shares" means the 267,981,314 ordinary shares of 5p each in the capital of the Company held by the Vendor and to be transferred to the Purchaser pursuant to this Agreement.

2 Agreement to Sell the Shares

The Vendor shall sell and the Purchaser shall purchase the Shares free from all Encumbrances and together with all rights and advantages now and hereafter attaching thereto.

3 Consideration

3.1 Amount

The consideration for the purchase of the Shares shall be the allotment and issue of the Consideration Shares.

3.2 Consideration Shares

On Completion, the Purchaser shall allot and issue to the Vendor the Consideration Shares.

3.3 Ranking of Consideration Shares

The Consideration Shares shall rank in all respects *pari passu* with the existing issued fully paid ordinary shares in the capital of the Purchaser including the right to receive in full all dividends and other distributions hereafter declared, paid or made.

3.4 Delivery of Documents of Title on Completion

On Completion, the Purchaser shall deliver to the Vendor share certificates in respect of the Consideration Shares.

4 Completion

4.1 Date and Place

Completion shall take place at 71 Lombard Street, London EC3P 3BS forthwith upon execution of this Agreement by the parties or at such other place or on such other date as may be agreed between the parties.

4.2 Vendor's Obligations on Completion

On Completion, the Vendor shall deliver to the Purchaser duly executed transfers of the Shares in favour of the Purchaser.

4.3 Satisfaction of Purchase Consideration

Against compliance with Clause 4.2, the Purchaser shall satisfy the purchase consideration in the manner specified in Clause 3.

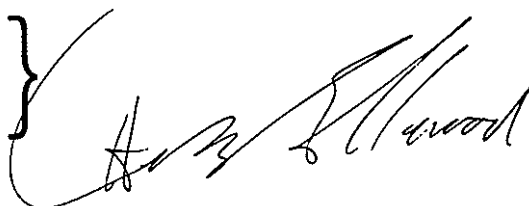
5 Counterparts

This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all the counterparts shall together constitute one and the same instrument.

In witness whereof this Agreement has been duly executed.

SIGNED by

for and on behalf of
LLOYDS TSB GROUP PLC



SIGNED by

for and on behalf of
LLOYDS BANK PLC

