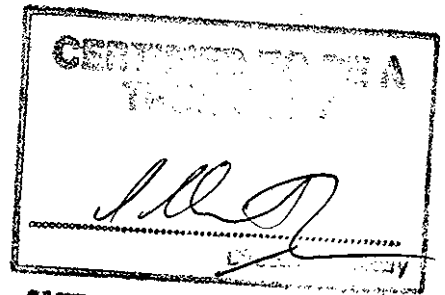


2506374

Date 25th October 1996



ABBEY NATIONAL PLC (1)

and

AUTHORISED SIGNATORY
FOR AND ON BEHALF OF
ABBEY NATIONAL SECRETARIAT
SERVICES LIMITED

ABBEY NATIONAL INDEPENDENT
FINANCIAL ADVISERS LIMITED (2)

and

PASSED FOR FILING

ABBEY NATIONAL BENEFIT
CONSULTING GROUP LIMITED (3)

SHARE SALE AND PURCHASE
AGREEMENT

Abbey National plc

Legal Services

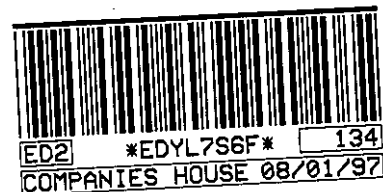
Genesis House

301-349 Midsummer Boulevard

Central Milton Keynes

MK9 2JE

(ref: LEG IW)



THIS AGREEMENT is made the *25th* day of *October* 1996

BETWEEN:

- (1) **ABBEY NATIONAL plc** whose Registered Office is situate at Abbey House, Baker Street, London NW1 6XL (hereinafter called "AN plc");
- (2) **ABBEY NATIONAL INDEPENDENT FINANCIAL ADVISERS LIMITED** whose Registered Office is situate at Abbey House aforesaid (hereinafter called "ANIFA");
- (3) **ABBEY NATIONAL BENEFIT CONSULTING GROUP LIMITED** whose Registered Office is situate at Abbey House aforesaid (hereinafter called "ANBCG")

hereinafter together called "the Group Companies"

WHEREAS

- (1) ANBCG is a wholly owned subsidiary of ANIFA;
- (2) ANIFA is a wholly owned subsidiary of AN plc;
- (3) The Group Companies have agreed with effect from *25th October 1996* ("the Completion Date") to restructure the group as set out below.

NOW IT IS AGREED as follows:

1. Sale and Purchase

- 1.1 ANIFA shall sell as beneficial owner and AN plc shall purchase all of the issued shares in ANBCG as follows:

No. of Shares	Share Class	Nominal Value of each Share
565,000	Cumulative Redeemable Preference Shares	£1
1,996,612	Deferred Shares	10p
3,848	Ordinary Shares	10p

for the cash sum of £5,530,000 being the market value of the shares, payable on the Completion Date.

- 1.2 ANIFA shall sell as beneficial owner and AN plc shall purchase all of the issued shares in James Hay Pension Trustees Limited as follows:

No of Shares	Share Class	Nominal Value of each Share
1,390,432	Ordinary	10p

for the cash sum of £3,960,000 being the market value of the shares, payable on the Completion Date.

- 1.3 ANIFA shall sell as beneficial owner and ANBCG shall purchase the issued shares in the following companies:

	<u>No of Shares</u>	<u>Share Class</u>	<u>Nominal Value of each Share</u>
<u>Kontax Pensions Limited</u>	10,000	Ordinary	£1
<u>Affinity Pensions Consultants Limited</u>	100	Ordinary	£1

<u>Whitefoord & Foden Limited</u>	7,000	Ordinary	£1
<u>Whiting Pension Services Ltd</u>	100	Ordinary	£1
<u>The WF Company Limited</u>	555,000	Cumulative Convertible Redeemable Preference Shares	5p
	100,000	Cumulative Non- Convertible Redeemable Preference Shares	5p
	55,500	Ordinary Shares	10p
	10,000	Redeemable Deferred Shares	10p
<u>Future Insurance Services Limited</u> formerly known as Huntley & Partners (Financial Services) Limited	1,000	Ordinary	£1

for the cash sum of £734,735 being the aggregate market value of the shares, payable on the Completion Date.

- 1.4 AN plc shall sell as beneficial owner and ANBCG shall purchase the 2,500 issued ordinary shares (nominal value of £1) in ANIFA in consideration of the issue of 20,140,000 ordinary shares in ANBCG to AN plc:
- 1.5 AN plc shall sell as beneficial owner and ANBCG shall purchase the 1,390,432 issued ordinary shares (nominal value of 10p) in James Hay Pension Trustees Limited in consideration of the issue of 3,960,000 ordinary shares in ANBCG to AN plc.

2. Completion
- 2.1 Completion of the above transactions shall take place on the Completion Date but shall be conditional upon Board Meetings of each Group Company being held at which:
- 2.1.1 the terms of this Agreement are approved by each Group Company; and
- 2.1.2 the transfers referred to in Clauses 1.1-1.5 (inclusive) are approved (subject to stamping);
- 2.2 Upon completion of the matters referred to in Clause 2.1, the cash consideration due under Clauses 1.1 - 1.3 (inclusive) shall be paid and the shares referred to in Clauses 1.4 and 1.5 shall be issued and allotted.
- 2.3 In addition, a general meeting shall be held on the Completion Date at which ANBCG shall pass a Special Resolution changing its name to Abbey National Independent Consulting Group Limited;
3. General
- 3.1 This Agreement shall be binding upon each party's successors and assigns and personal representatives (as the case may be) but, except as expressly provided, none of the rights of the parties under this Agreement may be assigned or transferred.
- 3.2 ANIFA and JHPT shall from time to time on being required to do so by ANBCG and at ANBCG's cost now or at any time in the future do or procure the doing of all acts, execute or procure the execution of all documents in a form reasonably satisfactory to ANBCG, as may reasonably be necessary for giving full effect to this Agreement or securing to ANBCG the full benefit of the rights, powers and remedies conferred on ANBCG in this Agreement including the assignment to ANBCG of the benefit of any warranties or indemnities in favour of ANIFA and JHPT under previous acquisition agreements and such assistance with any warranty or indemnity claims thereunder as is reasonably required.

- 3.3 If any of the shares referred to herein shall at any time be sold or transferred the benefits of Clause 3.2 may be assigned by ANBCG to the purchaser or transferee.
- 3.4 This Agreement may only be varied in writing signed by each of the Parties.
- 3.5 This Agreement constitutes the entire Agreement between the parties relating to the transactions herein and supersedes and replaces any prior drafts, agreements, undertakings, representations, warranties and arrangements of any kind whatsoever (written or otherwise) in respect thereof.
- 3.6 This Agreement may be executed in any number of counterparts and by the parties as separate counterparts but shall not be effective until each party has executed at least one counterpart. Each counterpart shall constitute an original but together shall constitute one and the same instrument.
- 3.7 If any provision or part of this Agreement is or becomes void, voidable, illegal or unenforceable it shall be severed from the remaining provisions of this Agreement which shall remain in full force and effect.
- 3.8 This Agreement shall be governed by and construed in accordance with English law.

IN WITNESS whereof this Agreement has been duly executed by the parties on the day and year set out above.

SIGNED by)
for and on behalf of)
ABBEY NATIONAL plc)
in the presence of:)
Ion Christie

[Signature]

CGT

SIGNED by)
for and on behalf of)
ABBEY NATIONAL INDEPENDENT)
FINANCIAL ADVISERS LIMITED)
in the presence of:)
Ion Christie

[Signature]

BC

SIGNED by)
for and on behalf of)
ABBEY NATIONAL BENEFIT)
CONSULTING GROUP LIMITED)
in the presence of:)

Jan Christie

24
[Signature]