

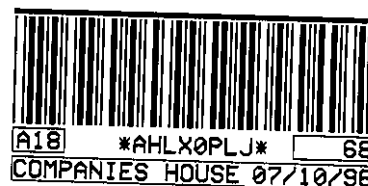
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MINUTES OF THE BOARD MEETING OF ABBEY NATIONAL plc

Held at Abbey House, Baker Street

Tuesday 24th September 1996

In the Chair - Lord Tugendhat



Directors present as recorded in the Board Attendance Book

Ordinary Shares

1. Pursuant to Regulation 16(2) of the Uncertificated Securities Regulations 1995 ("the Regulations"), **IT WAS RESOLVED** that:
 - a) title to the ordinary shares of 10 pence each in the capital of the Company (the "Shares"), in issue or to be issued, may be transferred by means of a relevant system (as defined in the Regulations);
 - b) such relevant system shall include the relevant system of which CRESTCo Limited is to be the Operator (as defined in the Regulations);
 - c) the Shares shall not include any shares referred to in Regulation 17; and
 - d) this resolution ("the Resolution") shall become effective immediately prior to CRESTCo Limited granting permission for the Shares to be transferred by means of the CREST system.
2. It was noted, upon the Resolution becoming effective in accordance with its terms, and for as long as it is in force, the Articles of Association of the Company in relation to the Shares will not apply to any uncertificated Shares to the extent that they are inconsistent with:-
 - a) the holding of any shares in Uncertificated form;
 - b) the transfer of title to any Shares by means of the CREST system; and
 - c) any provision of the Regulations.
3. There was produced to the meeting a copy of the notice of the Company's intention to pass the Resolution which it was noted had been sent to every member of the Company in accordance with the Company's Articles of Association and in satisfaction of the requirements of Regulation 16(4) on 14th March 1996.
4. **IT WAS RESOLVED** that a copy of the resolution in paragraph 1 above be forwarded to the Registrar of Companies within 15 days of its passing, as required by section 380 of the Companies Act 1985 (as amended by Regulation 40(3)).

Preference Shares

1. Pursuant to Regulation 16(2) of the Uncertificated Securities Regulations 1995 ("the Regulations"), **IT WAS RESOLVED** that:

- a) title to the preference shares of £1 sterling each in the capital of the Company (the "Shares"), in issue or to be issued, may be transferred by means of a relevant system (as defined in the Regulations);
 - b) such relevant system shall include the relevant system of which CRESTCo Limited is to be the Operator (as defined in the Regulations);
 - c) the Shares shall not include any shares referred to in Regulation 17; and
 - d) this resolution ("the Resolution") shall become effective immediately prior to CRESTCo Limited granting permission for the Shares to be transferred by means of the CREST system.
- 2 It was noted, upon the Resolution becoming effective in accordance with its terms, and for as long as it is in force, the Articles of Association of the Company in relation to the Shares will not apply to any uncertificated Shares to the extent that they are inconsistent with:-
- a) the holding of any shares in Uncertificated form;
 - b) the transfer of title to any Shares by means of the CREST system; and
 - c) any provision of the Regulations.
- 3 There was produced to the meeting a copy of the notice of the Company's intention to pass the Resolution which it was noted had been sent to every member of the Company in accordance with the Company's Articles of Association and in satisfaction of the requirements of Regulation 16(4) on 14th March 1996.
- 4 **IT WAS RESOLVED** that a copy of the resolution in paragraph 1 above be forwarded to the Registrar of Companies within 15 days of its passing, as required by section 380 of the Companies Act 1985 (as amended by Regulation 40(3)).

**I CONFIRM THE ABOVE IS A TRUE EXTRACT FROM THE MINUTES
OF THE BOARD MEETING HELD ON 24TH SEPTEMBER 1996**


.....
IAN K. TREACY,
COMPANY SECRETARY.