

GROUP AUDIT Llovds TSB 48 Chiswell Street London EC1Y 4XX **TNT 89**

Direct line: 020 7522 561 7-414 5617 Network: Facsimile: 020 7522 5625

martyn.scrivens@lloydstsb.co.uk

STRICTLY PRIVATE AND CONFIDENTIAL

Graham Milne **Edrington House** Nether Mordington Berwickshire **TD15 1UF**

Ref: 2086528

19th December 2003

Without Prejudice

Dear Graham.

I refer to your email dated 14th December declining our final compromise offer.

In the circumstances the Bank has no alternative but to terminate your employment on the grounds that there has been an irretrievable breakdown in the relationship between you and the Bank. In light of comments made by you against various individuals within the Bank, including your line management, the Bank considers that there has been a complete breakdown of trust and confidence in the employment relationship, thereby making your return to the workplace untenable.

Your employment will end with immediate effect and you will be paid in lieu of your notice period and any accrued holiday entitlement. Any other appropriate documentation will be sent to your home address in due course.

If, through the Flavours scheme, you have selected a computer, medical screening or are contributing to a matched learning fund, there may be a clawback payment required from your final salary payment. For further information, refer to your Flavours enrolment pack or contact the Flexible Benefits helpline on 0870 010 4509.

It is regrettable that it has been necessary to make this decision but we feel that it is in the best interests of both parties that this matter is brought to a conclusion. We would wish you every success in your future career.

Yours sincerely

Martyn Scrivens

Director of Group Audit

