

# UK Financial Investments Ltd

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100 Parliament Street, London, SW1A 2BQ

**James Leigh-Pemberton**

Chairman

[www.ukfi.co.uk](http://www.ukfi.co.uk)

Chancellor of the Exchequer  
HM Treasury  
1 Horse Guards Road  
London SW1A 2HQ

7<sup>th</sup> October 2016

*Dear Chancellor,*

Following the expiry of the Lloyds trading plan at the end of June, we have been evaluating options for further disposals as part of our overarching objective to dispose of our shareholding in an orderly and active way.

We regularly review both fair value and market appetite for the shares. Based on our assessment and given recent volatility in bank share prices, we believe that of the methods of sale available to us, putting in place a further trading plan represents the best opportunity to sell shares at a price which delivers value for money for the taxpayer. We therefore recommend that you withdraw plans to launch a retail sale of Lloyds shares to the general public. The trading plan, as before, will involve selling Lloyds shares through an appointed broker in a measured and orderly way over time.

The design of the trading plan allows us to ensure that all sales will represent value for money for the taxpayer. Sales will continue for up to 12 months.

On behalf of the Board

*James Leigh-Pemberton*

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