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legibly, preferably
in black type, or
bold block lettering

*insert full name
of Company

COMPANIES FORM No. 395

215904/13

Particulars of a mortgage or charge

395

A fee of £13 is payable to Companies House in respect
of each register entry for a mortgage or charge.

Pursuant to section 395 of the Companies Act 1985

To the Registrar of Companies
(Address overleaf - Note 6)

For official use

Company number

114

00015454

Name of company

* The Prudential Assurance Company Limited (the "Company")

Date of creation of the charge

5 March 2009

Description of the instrument (if any) creating or evidencing the charge (note 2)

See Part II of attached Schedule

Amount secured by the mortgage or charge

See Part III of attached Schedule

Names and addresses of the mortgagees or persons entitled to the charge

Prudential Retirement Income Limited, registered in Scotland under
registered number SC047842, whose registered office is at Craigforth,
Stirling, Scotland

Postcode FK9 4UE

Presentor's name address and
reference (if any):

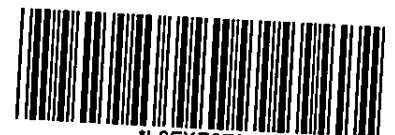
Lovells LLP
Atlantic House
Holborn Viaduct
London
EC1A 2FG

Time critical reference

For official Use (06/2005)
Mortgage Section

Post room

FRIDAY



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20/03/2009

275

COMPANIES HOUSE

Short particulars of all the property mortgaged or charged

See Part IV and Part V of attached Schedule.

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*Please complete
legibly, preferably
in black type, or
bold block
lettering*

Particulars as to commission allowance or discount (note 3)

Signed *Lorells LLP*

Date *20 March 2009*

On behalf of ~~[company]~~ [mortgagee/chargee] †

*A fee is payable
to Companies
House in
respect of each
register entry
for a mortgage
or charge.
(See Note 5)*

*† delete as
appropriate*

Notes

- 1 The original instrument (if any) creating or evidencing the charge, together with these prescribed particulars correctly completed must be delivered to the Registrar of Companies within 21 days after the date of creation of the charge (section 395). If the property is situated and the charge was created outside the United Kingdom delivery to the Registrar must be effected within 21 days after the date on which the instrument could in due course of post, and if dispatched with due diligence, have been received in the United Kingdom (section 398). A copy of the instrument creating the charge will be accepted where the property charged is situated and the charge was created outside the United Kingdom (section 398) and in such cases the copy must be verified to be a correct copy either by the company or by the person who has delivered or sent the copy to the Registrar. The verification must be signed by or on behalf of the person giving the verification and where this is given by a body corporate it must be signed by an officer of that body. A verified copy will also be accepted where section 398(4) applies (property situate in Scotland or Northern Ireland) and Form No. 398 is submitted.
- 2 A description of the instrument, eg "Trust Deed", "Debenture", "Mortgage", or "Legal charge", etc, as the case may be, should be given.
- 3 In this section there should be inserted the amount or rate per cent. of the commission, allowance or discount (if any) paid or made either directly or indirectly by the company to any person in consideration of his;
(a) subscribing or agreeing to subscribe, whether absolutely or conditionally, or
(b) procuring or agreeing to procure subscriptions, whether absolute or conditional,
for any of the debentures included in this return. The rate of interest payable under the terms of the debentures should not be entered.
- 4 If any of the spaces in this form provide insufficient space the particulars must be entered on the prescribed continuation sheet.
- 5 A fee of £13 is payable to Companies House in respect of each register entry for a mortgage or charge. Cheques and Postal Orders must be made payable to **Companies House**.
- 6 The address of the Registrar of Companies is: Companies House, Crown Way, Cardiff CF14 3UZ

SCHEDULE TO FORM 395

PART I

Definitions

"Charged Property" means all the present and future Long-Term Insurance Assets of the Company which are identified as constituting the "PAC Non-Profit Sub-Fund", one of the Company's long-term insurance funds (within the meaning set out in INSPRU 1.5.22R), from time to time, and includes any part of them.

"FSA" means the Financial Services Authority or its successors from time to time.

"FSA Handbook" means the FSA Handbook of Rules and Guidance made by the FSA under Part X of FSMA.

"FSMA" means the Financial Services and Markets Act 2000, as varied from time to time.

"INSPRU" means the Prudential sourcebook for Insurers forming part of the FSA Handbook.

"Insurance Debts" has the meaning attributed to that expression by Regulation 2 of the Winding Up Regulations.

"Liabilities" means all or any amounts which would have constituted Insurance Debts had Reinsurance Contracts been contracts of insurance for the purposes of the Winding Up Regulations.

"Long-Term Insurance Assets" means, in relation to the Company, its long-term insurance assets (within the meaning set out in INSPRU 1.5.21R).

"Reinsurance Contracts" means reinsurance contracts written by the Company (whether prior to, on or after the date of the Deed) which are contracts of long-term insurance as that term is defined in Article 3 of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001.

"Reinsurance Treaty" means the reinsurance treaty dated 30 December 2008 between (1) the Company and (2) the Cedant.

"Secured Amounts" means all Liabilities which are now incurred or may in the future become incurred to the Cedent by the Company under or in connection with the Reinsurance Treaty.

"Security Interest" means any right or interest arising out of:

- (a) any mortgage, standard security, charge, pledge, assignment or assignation (whether or not expressed to be by way of security), hypothecation, lien, encumbrance or other priority or security interest of any kind, howsoever created or arising;
- (b) any deferred purchase, title retention, trust, sale-and-repurchase, sale-and-leaseback, hold back or "flawed asset" arrangement or right of set-off;
- (c) any other agreement or arrangement of any kind having the same or a similar commercial or economic effect as security; and
- (d) any agreement for any of the foregoing.

"Winding Up Regulations" means The Insurers (Reorganisation and Winding Up) Regulations 2004, as varied from time to time.

PART II

Description of the instrument creating or evidencing the charge

A Deed of Charge dated 5 March 2009 (the "**Deed**") and made between (1) the Company as chargor and (2) Prudential Retirement Income Limited, a company incorporated in Scotland under registered number SC047842 whose registered address is Craigforth, Stirling, Scotland FK9 4UE (the "**Cedant**"), as cedant, having the title "Reinsurer Deed of Charge".

PART III

Amount secured by the mortgage or charge

By clause 2 of the Deed the Company covenants that it will pay and discharge when due to the Cedant all Secured Amounts in accordance with the terms of the Reinsurance Treaty.

PART IV

Short particulars of the property mortgaged or charged

1. By clause 3.1 of the Deed the Company charges to the Cedant by way of floating charge, and as continuing security for the payment and discharge of the Secured Amounts, all its right to and title and interest in the Charged Property, provided that, unless and until all unsecured and unsubordinated Insurance Debts of the Company have been fully discharged, the amount recoverable under the Deed is not to exceed such amount as the Cedant would have been entitled to receive from the Company if the Secured Amounts had been unsecured and unsubordinated Insurance Debts of the Company and had not been thereby secured.
2. By clause 3.3 of the Deed the floating charge is only to crystallise into a fixed charge over all the Charged Property on the Company going into liquidation within the meaning of section 247(2) of the Insolvency Act 1986.

PART V

Covenants and restrictions

1. By clause 5.1 of the Deed the floating charge is to rank *pari passu* with any prior, contemporaneous or future floating charge granted or to be granted by the Company in respect of Liabilities which are now or have been incurred or may in the future become incurred by the Company under or in connection with Reinsurance Contracts where such floating charge is intended to enable the person to whom it is granted or to be granted to recover the amount from the Company in respect of such Liabilities that he would have been able to recover if such Liabilities had been unsecured and unsubordinated Insurance Debts and had not been secured by such floating charge.
2. By clause 5.2 of the Deed, the charge created under the supplemental trust deed dated 8 November 2002 between the Company, Scottish Amicable Life PLC and The Law Debenture Corporation plc is to rank in priority to the charge created by the Deed and, subject to clause 5.1, any other Security Interest in place at the date of the Deed in favour of a third party over any part of the Charged Property is to rank in priority to the floating charge created by the Deed.

3. In the event of the floating charge created by the Deed crystallising, the Cedant is to co-operate with any third party chargees in order to realise the Charged Property in a proper and orderly manner in accordance with the terms of the Deed and the equivalent terms of the floating charge or charges securing amounts due to those third party chargees.



CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

Pursuant to section 401(2) of the Companies Act 1985

**COMPANY NO. 15454
CHARGE NO. 14**

**THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES
HEREBY CERTIFIES THAT A DEED OF CHARGE DATED 5
MARCH 2009 AND CREATED BY THE PRUDENTIAL
ASSURANCE COMPANY LIMITED FOR SECURING ALL MONIES
DUE OR TO BECOME DUE FROM THE COMPANY TO
PRUDENTIAL RETIREMENT INCOME LIMITED UNDER THE
TERMS OF THE AFOREMENTIONED INSTRUMENT CREATING
OR EVIDENCING THE CHARGE WAS REGISTERED PURSUANT
TO CHAPTER 1 PART XII OF THE COMPANIES ACT 1985 ON THE
20 MARCH 2009**

GIVEN AT COMPANIES HOUSE, CARDIFF THE 24 MARCH 2009



Companies House
— for the record —



**THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES**