

COMPANIES ACT 1985

COMPANY LIMITED BY SHARES

THE PRUDENTIAL ASSURANCE COMPANY LIMITED

Company Number 15454



Certified copy of a resolution in writing (such resolution to have effect as a special resolution) passed on 10 November 2003 by all the members of the Company who were at the date thereof entitled to attend and vote at a general meeting of the Company pursuant to Section 381A of the Companies Act 1985 (as amended):

Alteration to the Articles of Association of the Company

R E S O L V E D

THAT the Schedule regarding the Scottish Amicable Board, which forms part of the Articles of Association of the Company is hereby amended as follows:

Replace the current Clause 4 of the Schedule with the following:

4. The Scottish Amicable Board shall be comprised of not more than five individuals of whom the majority shall be non-executive members. Not more than three shall be designated as Scottish Amicable members and not more than two shall be designated as PAC members. Unless the Scottish Amicable Board decides otherwise:
 - (a) at least two of the Scottish Amicable members shall be non-executive members; and
 - (b) at least one of the PAC members shall be a non-executive member.

A non-executive member of the Scottish Amicable Board shall not hold an executive office with the Company or any holding company of the Company or a subsidiary of any such holding company. Whilst there is no formal residential qualification the Company intends as at the date of adoption of this provision that at least one member of the Scottish Amicable Board will be resident in Scotland.

Replace the current Clause 8 of the Schedule with the following:

8. The quorum for the transaction of business at any meeting of the Scottish Amicable Board shall be at least two individuals, one of whom is a Scottish Amicable member and one of whom is a PAC member present at the time when the relevant business is transacted. If at any meeting the Chairman is not present at the time appointed for holding the same, those Scottish Amicable members present shall choose one of their number to take the chair of such meeting. In the case of only one Scottish Amicable member being present in person, that member shall take the chair of such meeting. Where some but not all of the Scottish Amicable members are present at any meeting of the Scottish Amicable Board those Scottish Amicable members present shall be deemed jointly appointed as alternates for any Scottish Amicable members who are absent from the meeting and have not

specifically appointed alternates to attend and vote on their behalf. Where some but not all of the PAC members are present at any meeting of the Scottish Amicable Board those PAC members present shall be deemed jointly appointed as alternates for any PAC members who are absent from the meeting and have not specifically appointed alternates to attend and vote on their behalf.

Replace the current Clause 11 of the Schedule with the following:

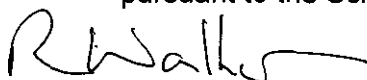
11. Matters for decision by the Scottish Amicable Board shall be decided by simple majority vote. Each member shall have one vote. Any Scottish Amicable member who is absent from any meeting may nominate any other Scottish Amicable member to act as his alternate and to vote in his place at the meeting. Any PAC member who is absent from any meeting may nominate any other PAC member to act as his alternate and to vote in his place at the meeting.

Any member appointed as an alternate shall have one vote in respect of the member who appointed him as an alternate in addition to his own vote. Members appointed as joint alternates under paragraph 8 above shall, provided they are all in agreement, have one joint vote for each member for whom they are joint alternates in addition to their own votes. In case of an equality of votes the Chairman of the Scottish Amicable Board or if he is not present, the chairman of the meeting, shall have a second or casting vote.

Any matters relating to the failure or alleged failure by the Company to comply with the Scheme shall be decided upon by a meeting of the Scottish Amicable Board at which only Scottish Amicable members shall be present, the quorum for which shall be at least two Scottish Amicable members present at the time the relevant matter is considered.

Replace the current Clause 14 of the Schedule with the following:

14. Remuneration shall be payable from the Scottish Amicable Insurance Fund to each of the non-executive members of the Scottish Amicable Board in an amount approved by the Directors, subject to a minimum of the amount paid to the non-executive directors of SALAS immediately prior to the Effective Date. The remuneration shall be reviewed each year by the Directors of the Company, taking account of market rates for non-executive directors but also taking account of the limited nature of the role of the non-executive members of the Scottish Amicable Board, but shall in any event be increased in each year by not less than the percentage (if any) by which the Retail Price Index (or, if it ceases to be maintained in its present form, such alternative equivalent index as is nominated by the Monitoring Actuary appointed pursuant to the Scheme) increases in respect of that year.


R Walker
Secretary