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THE COMPANIES ACT 1985 (as amended)

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

LEGAL & GENERAL INSURANCE LIMITED

(Adopted by Special Resolution passed on 25 March 2004)

Adoption of Table A

1. In these articles "Table A" means Table A scheduled to the Companies Act (Table A to F) Regulations 1985 as amended prior to the date of incorporation of the company, and the "Act" means the Companies Act 1985, as amended. The regulations contained in Table A shall, except where they are excluded or modified by these articles, apply to the company and, together with these articles, shall constitute the articles of the company. No other regulations set out in any statute concerning companies, or in any statutory instrument or other subordinate legislation made under any statute, shall apply as the regulations or articles of the company.

Interpretation

2. Words and expressions which bear particular meanings in Table A shall bear the same meanings in these articles. References in these articles to writing include references to any method of representing or reproducing words in a legible and non-transitory form. Headings are for convenience only and shall not affect construction.

Share Capital

3. At the date of adoption of this article the authorised share capital of the Company is £7,000,000 divided into:-

   1) 3,499,999 Preference Shares of £1 each (the "Preference Shares"); and

   2) 3,500,001 ordinary shares of £1 each.

Rights attached to shares

4. Notwithstanding any other provision of these articles the Preference Shares shall have the following special rights and be subject to the following restrictions:-

Income

1) The holders of the Preference Shares shall be entitled to be paid out of the profits available for distribution in respect of each financial year or other accounting period of the Company a cumulative preferential dividend ("preference dividend") at the percentage rate per annum which is represented by the formula:-

A x (100 – B)

Where

"A" is equal to the rate per annum on the first business day falling within the period in respect of which the relevant preference dividend is payable (the "reference date") at which National Westminster PLC was offering to prime banks in the London Interbank Market deposits for the period of three months in the amount equal to the aggregate nominal value of all the Preference Shares in issue on the reference date; and

"B" is equal to the basic rate of income tax payable at the time when the relevant payment is due, on the nominal value of each Preference Share held (exclusive of any imputed tax credit available to shareholders) and ranking in priority to any payment to dividend to the holders of any other class of shares. The preference dividend shall be payable half-yearly in equal amounts on 1 June and 1 December ("preference dividend dates") (or in any event such date being a Saturday or Sunday or a day which is a public holiday in England on the next day which is not such a day) in each year in respect of the half-year ending on the date preceding those respective dates provided that the first dividend payable on a Preference Share pursuant to this article 4 shall be paid on 1 June 1993 and shall be a proportionate amount in respect of the period from (and including) 10 December 1992 to (but excluding) 1 June 1993. The holders of the Preference Shares shall not be entitled to any further right to participate in the profits of the Company.

Capital

2) On a winding-up or other return of capital (otherwise than on redemption or repurchase by the Company of any of its shares) the holders of the Preference Shares shall be entitled (in priority to the holders of any other class of share) to repayment of the capital credited as paid up on the Preference Shares and to payment of a sum equal to all arrears and accruals (if any) of the preference dividend whether or not such preference dividend has become due or payable calculated down to and including the date of the commencement of the winding-up or the date of the return of capital but shall not be entitled to any further right to participate in the assets of the Company.

Voting

3) The Preference Shares shall not entitle the holders:-

i) to vote upon any resolution other than a resolution for winding-up the Company or reducing its capital or a resolution adversely varying or abrogating any of the special rights attached to such shares; or

ii) to receive notice to attend or vote at any general meeting unless the business of the meeting includes the consideration of a resolution on which such holders are entitled to vote.

Subject to this on a show of hands every holder of Preference Shares present in person shall have one vote only and upon a poll every holder of Preference Shares present in person or by proxy shall have one vote for every Preference Share of which he is the holder.

Further issues of shares

4) The Company may from time to time create and issue further cumulative preference shares (in this article called "Further Preference Shares") ranking as regards participation in profits and assets of the Company pari passu with the Preference Shares and so that any such Further preference Shares may either carry rights identical in all respects with the Preference Shares or with any other series of Further Preference Shares or rights differing therefrom in any respect including but without prejudice to the generality of the foregoing in that:-

i) the nominal amount of the Further Preference Shares and the rate of dividend may differ;

ii) the Further Preference Shares may rank for dividend as from such a date as may be provided by the terms of issue thereof and the date for payment of dividend may differ;

iii) a premium may be payable on a return of capital or there may be no such premium.

5) Subject to the provisions of the Act and to any rights conferred on the holders of any other shares, any share may be issued with or have attached to it such rights and restrictions as the company may by ordinary resolution decide or, if no such resolution has been passed or so far as the resolution does not make specific provision, as the directors may decide. Regulation 2 of Table A shall not apply.

Unissued shares

5. Subject to the provisions of the Act and to these articles, any unissued shares of the company (whether forming part of the original or any increased capital) shall be at the disposal of the directors who may offer, allot, grant options over or otherwise dispose of them to such persons at such times and for such consideration and upon such terms and conditions as they may determine.

Initial authority to issue relevant securities

6. Subject to any direction to the contrary which may be given by the company in general meeting, the directors are unconditionally authorised to exercise all powers of the company to allot relevant securities. The maximum nominal amount of relevant securities that may be allotted under this authority shall be the nominal amount of the unissued share capital at the date of incorporation of the company or such other amount as may from time to time be authorised by the company in general meeting. The authority conferred on the directors by this article may be revoked varied or renewed from time to time by the company in general meeting in accordance with the Act.

Exclusions of pre-emption rights

7. Sections 89(1) and 90 (1) to (6) of the Act shall not apply to the allotment by the company of any equity security.

Transfer of shares

8. The instrument of transfer of a subscriber's share which is not fully paid need not be executed by or on behalf of the transferee. Regulation 23 of Table A shall be modified accordingly.

9. The directors may, in their absolute discretion and without giving any reason for so doing, decline to register any transfer of any share, whether or not it is a fully paid share. Regulation 24 of Table A shall be modified accordingly.

Notice of general meetings

10. Notice of every general meeting shall be given to all members (other than any who, under the provisions of these articles or the terms of issue of the shares they hold, are not entitled to receive such notices from the company), and also to the auditors or, if more than one, each of them. The last sentence of Regulation 38 of Table A shall not apply.

Single member company

11. If at any time, and for as long as, the company has a single member all provisions of these Articles shall (in the absence of any express provision to the contrary) apply with such modification as may be necessary in relation to a company with a single member. Regulation 40 shall be modified accordingly.

Votes of members

12. Subject to any rights or restrictions attached to any shares, at a general meeting on a show of hands, every member who (being an individual) is present in person or (being a corporation) is present by a duly authorised representative and every proxy for any member (regardless of the number or the holdings of the members for whom he is a proxy) shall have one vote, and on a poll every member who is present in person or by proxy shall have one vote for every share of which he is the holder. Regulation 54 of Table A shall not apply.

Members may vote when money payable by them

13. Regulation 57 of Table A shall not apply.

Delivery of proxies

14. The instrument appointing a proxy and (if required by the directors) any authority under which it is executed or a copy of such authority, certified notarially or in some other manner approved by the directors, may be delivered to the office (or to such other place or to such person as may be specified or agreed by the directors) before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to act or, in the case of a poll taken subsequently to the date of the meeting or adjourned meeting, before the time appointed for the taking of the poll, and an instrument of proxy which is not so delivered shall be invalid. The directors may at their discretion treat a faxed or other machine made copy of an instrument appointing a proxy as such an instrument for the purpose of this article. Regulation 62 of Table A shall not apply.

Number of directors

15. The maximum and minimum number respectively of the directors may be determined from time to time by ordinary resolution. Subject to and in default of any such determination there shall be no maximum number of directors and the minimum number of directors shall be two. Regulation 64 shall not apply and Regulation 89 shall be modified accordingly.

Alternate directors

16. Any director (other than an alternate director) may appoint any other director, or any other person who is willing to act, to be an alternate director and may remove from office an alternate director so appointed by him. Regulation 65 of Table A shall not apply.

Power to provide for employees

17. The directors may by resolution exercise any power conferred by the Act to make provision for the benefit of persons employed or formerly employed by the company or any of its subsidiaries in connection with the cessation or the transfer to any person of the whole or part of the undertaking of the company or that subsidiary.

Power to receive uncalled monies

18. The directors may, if they think fit, receive from any member willing to advance the same all or any part of the moneys uncalled and remaining unpaid on any shares held by him.

Delegation of directors' powers

19. The directors may delegate any of their powers (with power to sub-delegate) to committees consisting of such person or persons (whether directors or not) as they think fit. Regulation 72 of Table A shall be modified accordingly and references in Table A to a committee of directors or to a director as a member of such a committee shall include a committee established under this article or such person or persons.

Appointment and removal of directors by majority shareholders

20. Any member holding, or any members holding in aggregate, a majority in nominal value of such of the issued share capital for the time being of the company as carries the right of attending and voting at general meetings of the company may by memorandum in writing signed by or on behalf of him or them and delivered to the office or tendered at a meeting of the directors or at a general meeting of the company at any time and from time to time appoint any person to be a director (either to fill a vacancy or as an additional director) or remove any director from office (no matter how he was appointed).

Appointment of directors by board

21. Without prejudice to the powers conferred by any other article, any person may be appointed a director by the directors, either to fill a vacancy or as an additional director.

No age limit or share qualification

22. No director shall be required to retire or vacate his office, and no person shall be ineligible for appointment as a director, by reason of his having attained any particular age. No shareholding qualification for directors shall be required.

Exclusion of rotation requirements and other provisions

23. Regulations 73 to 80 (inclusive) and the last sentence of regulation 84 of Table A shall not apply.

Disqualification and removal of directors

24. The office of a director shall be vacated not only upon the happening of any of the events mentioned in regulation 81 of Table A but also if he is removed from office pursuant to these articles. Regulation 81 of Table A shall be modified accordingly.

Directors' gratuities and pensions

25. The directors may exercise all the powers of the company to provide benefits, either by the payment of gratuities or pensions or by insurance or in any other manner whether similar to the foregoing or not, for any director or former director or the relations, connections or dependants of any director or former director who holds or has held any executive office or employment with the company or with any body corporate which is or has been a subsidiary of the company or with a predecessor in business of the company or of any such body corporate and may contribute to any fund and pay premiums for the purchase or provision of any such benefit. No director or former director shall be accountable to the company or the members for any benefit provided pursuant to this article and the receipt of any such benefit shall not disqualify any person from being or becoming a director of the company. Regulation 87 of Table A shall not apply.

Notice of board meetings

26. Notice of a meeting of the directors shall be deemed to be properly given to a director if it is given to him personally ,by word of mouth , by electronic means (in accordance with article 30.2 below),sent in writing to him at his last known address or any other address given by him to the company for this purpose, or by any other means authorised in writing by the director concerned. A director absent or intending to be absent from the United Kingdom may request the directors that notices of meetings of the directors shall during his absence be sent in writing to him at an address or to a fax or telex number given by him to the company for this purpose, but if no request is made to the directors it shall not be necessary to give notice of a meeting of the directors to any director who is for the time being absent from the United Kingdom. A director may waive notice of any meeting either prospectively or retrospectively. Regulation 88 of Table A shall be modified accordingly.

Participation in board meetings by telephone

27. All or any of the members of the board or any committee of the board may participate in a meeting of the board or that committee by means of a conference telephone or any communication equipment which allows all persons participating in the meeting to hear each other. A person so participating shall be deemed to be present in person at the meeting and shall be entitled to vote or be counted in a quorum accordingly. Such a meeting shall be deemed to take place where the largest

group of those participating is assembled, or, if there is no such group, where the chairman of the meeting then is.

Directors may vote when interested

28. A director who to his knowledge is in any way, whether directly or indirectly, interested in a contract or proposed contract with the company shall declare the nature of his interest at a meeting of the directors in accordance with the Act. Subject where applicable to such disclosure, a director shall be entitled to vote in respect of any contract or proposed contract in which he is interested and if he shall do so his vote shall be counted and he shall be taken into account in ascertaining whether a quorum is present. Regulations 94 and 95 of Table A shall not apply.

The seal

29. The board shall provide for the custody of every seal. A seal shall only be used by the authority of the board or of a committee of the board or such person or persons as the board may from time to time authorise for the purpose. Subject as otherwise provided in these articles, any instrument to which the common seal is applied shall be signed by any one director or by the secretary or by such other person or persons as the board may from time to time authorise in that behalf. Regulation 101 of Table A shall not apply.

Notices

30.

30.1 Any notice or other document may be served on or delivered to any member of the company either personally, or by sending it by post addressed to the member at his registered address or by fax or telex to a number provided by the member for this purpose, or by leaving it at his registered address addressed to the member, or by any other means authorised in writing by the member concerned. In the case of joint holders of a share, service or delivery of any notice or other document on or to one of the joint holders shall for all purposes be deemed a sufficient service on or delivery to all the joint holders. Regulation 112 of Table A shall not apply.

30.2 Notices by electronic means

30.2.1 Notwithstanding article 30.1 above and without prejudice to regulations 112 to 116 inclusive in Table A, the Company may give notice to a member or director by electronic means provided that:

30.2.1.1 the member or director has given his consent in writing to receiving notice communicated by electronic means and in such consent has set out an address to which the notice shall be sent by electronic means; and

30.2.1.2 the electronic means used by the Company enables the member or director concerned to read the text of the notice.

30.2.2 Regulation 115 in Table A shall not apply to a notice delivered personally or in a form permitted by this article.

30.2.3 In this article, "electronic" means actuated by electronic, magnetic, electro-magnetic, electro chemical or electro-mechanical energy and "by electronic means" means by any manner only capable of being so actuated.

Time of service

31. Any notice or other document, if sent by post, shall be deemed to have been served or delivered twenty four hours after posting and, in proving such service or delivery, it shall be sufficient to prove that the notice or document was properly addressed, stamped and put in the post. Any notice or other document left at a registered address otherwise than by post, or sent by fax or telex or other instantaneous means of transmission, shall be deemed to have been served or delivered when it was so left or sent. Regulation 115 of Table A shall not apply.

Winding up

32. Regulation 117 of Table A shall not apply to the Company.

Indemnity

33.

33.1 Subject to the provisions of section 310 of the Act every director (including an alternate director) or other officer of the company shall be indemnified out of the assets of the company against all losses or liabilities which he may sustain or incur in or about the lawful execution of the duties of his office or otherwise in relation thereto including any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in connection with any application under section 144 or section 727 of the Act in which relief is granted to him by the court, and no director (including an alternate director) or other officer shall be liable for any loss, damage or misfortune which may happen to or be incurred by the company in the lawful execution of the duties of his office or in relation thereto. Regulation 118 of Table A shall not apply to the company.

33.2 The directors shall have power to purchase and maintain for any director, (including an alternate director) officer or auditor of the company insurance against any such liability as is referred in section 310(1) of the Act and, subject to the provisions of the Act, against any other liability which may attach to him or loss or expenditure which he may incur in relation to anything done or alleged to have been done or omitted to be done as a director, (including as an alternate director) officer or auditor.