

Registered Number: 15454

THE COMPANIES ACT 1985

COMPANY LIMITED BY SHARES

THE PRUDENTIAL ASSURANCE COMPANY LIMITED

Certified copy of resolutions in writing passed on 14 September 2005 by all of the members of The Prudential Assurance Company Limited (the "Company") who were at the date thereof entitled to attend and vote at any general meeting of the Company, pursuant to Section 381A of the Companies Act 1985 (as amended), such following resolutions 1, 2 and 3 to have effect as ordinary resolutions of the Company and resolution 4 to have effect as a special resolution of the Company:

Ordinary Resolutions

4. THAT the authorised share capital of the Company be increased to £1,537,500,000 by the creation of 600,000,000 B Preference Shares of 25p each having the rights more particularly described in the proposed amendments to the Articles of Association of the Company referred to in Resolution 4.
5. THAT the existing 1,000,000,000 Preference Shares of £1 each in the Company be re-classified as 1,000,000,000 A Preference Shares of £1 each.
6. THAT pursuant to and in accordance with Section 80 of the Companies Act 1985 (as amended) (the "Act") the Directors be generally and unconditionally authorised to exercise all powers of the Company to allot relevant securities (within the meaning of Section 80 of the Act) up to an aggregate nominal amount of £1,427,902,936.50 (being the unissued share capital of the Company) provided that this authority shall expire 5 years from the date of this resolution save that the Company may before such expiry make an offer or agreement which would or might require relevant securities to be allotted after such expiry and the Directors may allot the relevant security in pursuance of such an offer or agreement as if the authority conferred hereby had not expired.

Special Resolution

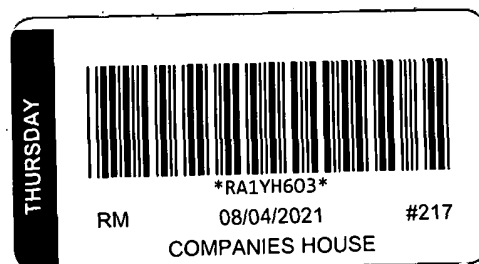
7. THAT the Articles of Association of the Company are hereby amended as follows:

(1) Article 1

Replace the current definition of "Share" with the following:

"Share" means a share in the Company (including a preference share)."

(2) Article 2



Replace the current Article 2 with the following:

"2(1) The share capital of the Company as at the date of the latest amendment to these Articles of Association is £1,537,500,000 divided into:

- (iv) 1,550,000,000 shares of 25p each,
- (v) 1,000,000,000 A Preference Shares of £1 each, and
- (vi) 600,000,000 B Preference Shares of 25p each.

A Preference Shares

2(2) The A Preference Shares shall confer upon the holders thereof as a separate class the following rights:

Income

(a) As to income, the A Preference Shares shall confer upon the holders thereof the right in priority to any payment by way of Dividend of the Company to receive (exclusive of any imputed tax credit available to shareholders) a cumulative preferential Dividend (the "A Preferential Dividend").

(b) The A Preferential Dividend shall in respect of each A Preference Share from time to time in issue be at the Specified Gilt Rate plus 0.8778% per annum in respect of each year or part year ending on any date for payment of the A Preferential Dividend as determined pursuant to article 2(2)(c)(i) (a "Dividend Period") increased by the percentage increase in the index of retail prices published by the Office for National Statistics (the "Retail Prices Index") from the date 30 days prior to the date of the first issue by the Company of any A Preference Shares to the date 30 days prior to the last day of the relevant Dividend Period, and proportionately for any part of a year from the date of issue of the relevant A Preference Shares. For the purposes of this article 2(2)(b), the "Specified Gilt Rate" shall be the prospective real redemption rate, based on a projected inflation rate of 3%, of 2.5% index linked 2016 UK gilts, based on an RPI base for indexing of 81.6, as quoted in the Financial Times on the day 30 days prior to the last day of the relevant Dividend Period (or if the Financial Times is not published on such day, on the first day prior to that day on which it is published, and if the Financial Times does not contain the relevant information, as determined by the Company's auditors for the time being).

(c) Subject to Part VIII of the Companies Act 1985 (as amended) (the 1985 Act) the A Preferential Dividend shall be:

(i) paid (exclusive of any imputed tax credit available to shareholders) on each anniversary of the first issue by the Company of any A Preference Shares or on such other date in each year as the Directors of the Company shall in their absolute discretion determine (the "Dividend Payment Date") provided that the Directors of the Company shall have no discretion to determine a Dividend

Payment Date such that a period of more than one year shall have elapsed on such Dividend Payment Date since the last payment of the A Preferential Dividend; and

(ii) without any resolution of the Directors of the Company in general meeting (and notwithstanding anything contained in Regulations 102 to 108 (inclusive) of Table A of the 1985 Act) accrue from day to day and on each such anniversary (or, as the case may be, on each Dividend Payment Date) become a debt due from and immediately payable by the Company to the holders of the A Preference Shares pro rata according to the number of A Preference Shares held by each such shareholder, as the case may be.

Redemption

(d) Subject to the 1985 Act, all the A Preference Shares then in issue shall be redeemed by the Company without notice, on 8 May 2016.

(e) Where any A Preference Shares are to be redeemed in accordance with Article 2(2)(d) above, the Company shall be obliged, prior to making any payment to any other shareholder or shareholders of the Company, subject to having sufficient available profits or other monies which may be lawfully applied for such redemption, to redeem in full the relevant number of A Preference Shares on the date fixed for their redemption and to pay to the relevant holder of the relevant A Preference Shares an amount (the "Redemption Monies") equal to £1.2808 increased by the percentage increase in the Retail Prices Index from the date 30 days prior to the date of the first issue by the Company of any A Preference Shares to the date 30 days prior to 8 May 2016 for each such A Preference Share, and such amounts shall, subject to the Company having available profits or other monies which may be lawfully applied for such redemption, at that time become a debt due from and immediately payable by the Company to the holders of such A Preference Shares. If and to the extent that the debt so constituted is not paid in full on the due date, the unpaid amount shall carry interest at an annual rate of 2% above the base rate from time to time of HSBC Bank Plc in respect of the period from and including the due date down to and including the date of actual payment.

(f) If the Company is unable, because of having insufficient available profits or other monies which may be lawfully applied for such redemption, to redeem in full the relevant number of A Preference Shares on the date fixed for their redemption, the Company shall redeem as many of such A Preference Shares as can lawfully and properly be redeemed and shall redeem the balance as soon as it is lawfully and properly able to do so.

(g) On the date fixed for redemption, each of the holders of A Preference Shares falling to be redeemed shall be bound to deliver to the Company, at the Company's registered office, the certificate(s) for such A Preference Shares (or an indemnity, in a form reasonably satisfactory to the Directors, in respect of any lost certificate(s)) in order that the same may be cancelled. Upon such delivery, the Company shall pay to the holder (or, in the case of any joint holders, to the holder whose name stands first in the Company's register of members in respect

of such A Preference Shares) the amount due to it in respect of such redemption against delivery of a proper receipt for the Redemption Monies.

Capital

(h) On a return of capital on winding-up or capital reduction or otherwise (a "Return of Capital"), the holders of the A Preference Shares shall be entitled, in priority to any payment to the holders of any other class of shares, to the repayment of a sum calculated in accordance with the following formula:

$$\text{RPI} * \pounds(1.2808^{N/15})$$

Where N is equal to the number of years (including fractions of a year) which have elapsed between the date of issue of the relevant A Preference Share and the date of the Return of Capital; and

RPI is equal to the Retail Prices Index on the date of the Return of Capital divided by the Retail Prices Index on the date of issue of the relevant A Preference Share.

Further participation

(i) The holders of the A Preference Shares shall not be entitled to any further right of participation in the profits or other assets of the Company.

General Meeting

(j) The holders of the A Preference Shares shall, by virtue of and in respect of their holdings of the A Preference Shares, have the right to receive notice of, attend, speak and vote at a General Meeting of the Company only if a resolution is to be proposed abrogating, varying or modifying any of the rights or privileges of the holders of the A Preference Shares (in which case they shall only be entitled to vote on such resolution).

(k) Except in the circumstances set out above, the holders of the A Preference Shares shall not have the right to receive notice of, attend, speak or vote at any General Meeting of the Company.

Voting

(l) Whenever the holders of the A Preference Shares are entitled to vote on a resolution at a General Meeting of the Company, on a show of hands, every such holder who is present in person or (being a corporation) by a representative shall have one vote and, on a poll, every such holder who is present in person or by proxy shall have one vote in respect of each fully-paid A Preference Share registered in the name of such holder.

B Preference Shares

2(3) The B Preference Shares shall confer upon the holders thereof as a

separate class the following rights:

Income

- (a) Subject to the provisions of this Article 2(3), the holder of each B Preference Share shall be entitled to be paid in respect of such B Preference Share, out of the profits of the Company available for distribution, a non-cumulative preferential Dividend (the "B Preference Dividend") which shall accrue at the rate of two pence per annum, excluding any associated tax credit.
- (b) Subject to the provisions of this Article 2(3), the B Preference Dividend shall be payable only on dates selected for the purposes of this Article 2(3) by resolution of the Directors or dates on which it is proposed that the Company will pay a Dividend on any share of any other class issued by it (each a "Dividend Date").
- (c) The amount of B Preference Dividend in respect of each B Preference Share shall accrue from the date of issue of such B Preference Share to the first Dividend Date and from one Dividend Date to the next Dividend Date, but shall be reset to zero immediately following each Dividend Date whether or not any B Preference Dividend is paid on such Dividend Date.
- (d) Other than Dividends payable on the A Preference Shares, no Dividend shall be paid on any Dividend Date on any share of any other class issued by the Company unless the full amount of the B Preference Dividend which has accrued on each B Preference Share by such Dividend Date is paid in full on such Dividend Date.
- (e) Subject to the provisions of this Article 2(3), any Preference Dividend payable on a Dividend Date shall, without any resolution of the Directors or of the Company in general meeting (and notwithstanding anything contained in Table A), become a debt due from and immediately payable by the Company to the holder of each B Preference Share entitled thereto.
- (f) The B Preference Dividend in respect of each B Preference Share shall be payable on a Dividend Date only in an amount determined by resolution of the Directors, being an amount –
 - (i) not greater than the amount of the B Preference Dividend which has accrued on such B Preference Share by that Dividend Date;
 - (ii) bearing such proportion to the amount determined to be payable on each other B Preference Share on that Dividend Date as the proportion borne by the respective amounts of B Preference Dividend which have accrued on such B Preference Share and such other B Preference Share by that Dividend Date;
 - (iii) such that the aggregate B Preference Dividend thereby payable on the B Preference Shares on that Dividend Date will not exceed the profits of the Company available for distribution on that Dividend Date;

- (iv) such that, following the payment of the aggregate B Preference Dividend thereby payable on the B Preference Shares on that Dividend Date, the Company will continue to maintain capital resources equal to or in excess of its capital resources requirement, as required by rule 2.1.9 of the Integrated Prudential Sourcebook published by the Financial Services Authority, as amended, modified, supplemented or replaced from time to time (the "Prudential Sourcebook"); and
 - (v) otherwise, in the discretion of the Directors, which discretion shall include the discretion to determine that the aggregate B Preference Dividend payable on that Dividend Date will be zero.
- (g) Notwithstanding any contrary provision in these Articles, the Company shall in any event have the right not to declare or pay a Preference Dividend whether by cash payment or otherwise, and neither the Company nor any Director shall have any liability to any holder of any B Preference Share in respect of such non-declaration or non-payment.
- (h) The amount of B Preference Dividend (if any) payable on a B Preference Share in respect of any period shorter or longer than one year shall be calculated on the basis of a 365 day year and the actual number of days elapsed in such period.

Return of Capital

- (i) On a redemption of a B Preference Share pursuant to Article 2(3)(l), the assets of the Company available for distribution among the members shall be applied pro rata in payment to the holder of each B Preference Share being redeemed, in priority to any payment to the holder of any share of any other class issued by the Company:
- (i) first, the nominal amount of such B Preference Share; and
 - (ii) second, a sum equal to any B Preference Dividend which has accrued on such B Preference Share by the date of redemption.
- (j) On a return of capital on a winding up or otherwise, the assets of the Company available for distribution among the members shall be applied:
- (i) first, pro rata, in payment –
 - (A) to the holder of each B Preference Share, the aggregate of the nominal amount of such B Preference Share and a sum equal to any Preference Dividend which has accrued by the date of the winding up; and
 - (B) to the holder of each share of any other class issued by the Company, the nominal amount of such share; and

- (ii) second, in distribution pro rata to the holder of each share of any other class issued by the Company, the nominal amount of such share.

Further Participation

- (k) The B Preference Shares do not confer any further right of participation in the profits or assets of the Company.

Redemption

- (l) (i) The B Preference Shares may not be redeemed otherwise than at the option of the Company.

- (ii) Subject to –

- (A) the provisions of the Act;
- (B) the Company giving prior notice of the proposed redemption to the Financial Services Authority ("FSA") in accordance with rule 2.2.72 of the Prudential Sourcebook and the period of one month from the date of such notice having expired without any objection thereto having been received from the FSA;
- (C) the Company being for the time being in compliance with rule 2.1.9 of the Prudential Sourcebook; and
- (D) the calculated effect of the proposed redemption being such that it will continue to be in compliance with rule 2.1.9 of the Prudential Sourcebook;

the Company may redeem any issued B Preference Share in accordance with this Article 2(3)(l) at any time after (but not on) the fifth anniversary of the date of issue of such B Preference Share (each such date, a "Redemption Date").

- (iii) On the Redemption Date in respect of a B Preference Share, the Company shall pay to the holder of the B Preference Share an amount equal to the sum of –

- (A) the nominal amount of the B Preference Share; and
- (B) a sum equal to any unpaid B Preference Dividend which has accrued on the B Preference Share by the Redemption Date.

The amount payable in respect of a B Preference Share to be redeemed on any Redemption Date comprises the "redemption money" in respect of that B Preference Share.

- (iv) On the Redemption Date in respect of a B Preference Share, the redemption money payable in respect of the B Preference Share shall be paid to the holder of such B Preference Share in cash, including by cheque or electronic funds transfer. Payment shall be made against receipt by the Company of the relevant share certificate (or an indemnity in a form reasonably satisfactory to the Directors in respect of a share certificate which cannot be produced). If the holder of the B Preference Share produces neither the share certificate nor a satisfactory indemnity, the Company may retain the relevant redemption money until delivery of the certificate or a satisfactory indemnity. The Company shall cancel share certificates in respect of redeemed B Preference Shares.

Voting

(m) The holder of a B Preference Share shall be entitled to receive notice of and to attend and speak at general meetings of the Company. The holder of a B Preference Share may not vote at general meetings of the Company unless –

- (i) a resolution is proposed in relation to the winding up of the company, a voluntary arrangement with creditors of the Company or the proposed receivership, administrative receivership or administration of the Company; or
- (ii) a resolution is proposed in relation to an alteration of the rights of the B Preference Shares or in relation to any other matter which will have detrimental effect upon the rights of the B Preference Shares (in which case, for the avoidance of doubt, the holders of the B Preference Shares shall also vote as a class and, if the holders of the B Preference Shares are to vote as a class, the provisions of these Articles with respect to notice of and proceedings at general meetings and written resolutions shall apply mutatis mutandis);

in which case each B Preference Share shall carry the right to one vote (which may be exercised only on such a resolution) at any general meeting of the Company.”

(3) Article 33

After the words “Office of the Company” remove the words “No 142 Holborn Bars, London, EC1”.

(4) Article 99

Replace the word “The” at the beginning of Article 99 with the following:

“Subject to Article 2 the”

Company Secretary