

Our Ref:
Your Ref:
Telephone:
Date:

STRICTLY PRIVATE & CONFIDENTIAL

DIRECTOR
ADDRESS
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Legal & General Group Plc

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London
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Dear DIRECTOR

Appointment as a Non-Executive Director

Following the recommendation of the Nominations Committee, the Board of Legal & General Group Plc (the "Company") is delighted to offer you an appointment as a non-executive director of the Company (the "Appointment").

This Appointment is offered on the following terms:

1. **Effective date**

- (a) The Appointment is subject to receipt of FSA confirmation of your status as an 'Approved Person'. You are required to maintain this status throughout the period of your tenure.
- (b) Subject to FSA approval being obtained, it is intended that your Appointment will take effect on DATE.

2. **Appointment**

- (a) You are appointed as a non-executive director of the Company.
- (b) All non-executive directors are invited to join the Nominations Committee.

3. **Terms of Appointment**

- (a) This is a contract for services and not a contract of employment.
- (b) The commencement date of the Appointment will be the date set out in paragraph 1(b) above. The Appointment will be for a term of three years unless terminated pursuant to paragraphs 3(c) and/or 3(d) below.
- (c) Continuation of the Appointment is subject to re-election at each year's Annual General Meeting by shareholders as the Board may determine. If you are not re-elected to your position as a director of the Company by the

shareholders, the Appointment terminates automatically and with immediate effect.

- (d) You may terminate this agreement in writing at your discretion. The Company may terminate the Appointment at any time and with immediate effect at its discretion by a decision of the Board acting on simple majority. In the event of termination for whatever reason, you will only be entitled to accrued fees as at the date of termination together with reimbursement of any expenses properly incurred prior to that date. No compensation will be payable by the Company.

4. **Time Commitment**

In accepting the Appointment, you confirm that you are able to allocate sufficient time to meet the expectations of your role. We anticipate a time commitment of up to 25 days per year after the induction phase. Please note that the time commitment for non-executive directors is currently under review and may increase. This will include attendance at, and preparation for monthly Board/Committee meetings and the Annual General Meeting. The usual frequency of meetings is as follows:-

- Board Meetings – 9 per annum
- Nominations Committee – 2 per annum and otherwise as required
- Audit Committee – 4 per annum
- Risk Committee – 4 per annum
- Remuneration Committee – 3 per annum
- Annual Board Strategy Day – 2 – 3 days per annum
- Attendance at appropriate training, educational or developmental sessions arranged by the Chairman.
- Attendance at Board Dinners

The agreement of the Chairman must be sought before accepting additional appointments to any other company, corporate body, or entity, during your tenure that might affect the time that you are able to devote to your role as a non-executive director of the Company.

Please note that you may be asked to join one of the Board Committees and the Chairman will discuss this with you in due course. Please note that this will increase your time commitment to the Company.

5. **Role**

Non-executive directors have the same general legal responsibilities to the Company as any other director and will be required to take decisions in the best interests of the Company. The Board as a whole is collectively responsible for promoting the success of the Company by directing and supervising the Company's affairs.

The Board:-

- (a) Provides entrepreneurial leadership of the Company within a framework of prudent and effective controls which enable risk to be assessed and managed.

- (b) Sets the Company's strategic aims, ensures that the necessary financial and human resources are in place for the Company to meet its objectives and reviews management performance.
- (c) Sets the Company's values and standards and ensures that its obligations to its shareholders and others are understood and met.

In addition to these requirements of all directors, the role of the non-executive has the following key elements:-

- (i) **Strategy** - Non-executive directors should constructively challenge and contribute to the development of strategy.
- (ii) **Performance** - Non-executive directors should scrutinise the performance of management in meeting agreed goals and objectives and monitor the reporting of performance.
- (iii) **Risk** - Non-executive directors should satisfy themselves that financial information is accurate and that financial controls and systems of risk management are robust and defensible.
- (iv) **People** - Non-executive directors are responsible for determining appropriate levels of remuneration of executive directors and have a prime role in appointing (and, where necessary, removing) Directors and the Company Secretary and in succession planning.

6. **Fees**

You will be paid a fee of £65,000 gross per annum which will be paid monthly in arrears. The fees payable are currently subject to review but will not be less than the amount currently stated. You will be expected to use 50% of your annual remuneration to acquire ordinary shares in the capital of the Company. These shares will be purchased, on your instructions, on a monthly basis on the first dealing day of each month. We expect these shares to be retained for the remaining period of your office. Directors' remuneration will be subject to an annual review by the Board. The Company will reimburse you for all reasonable and properly documented expenses you incur in performing the duties of your office.

7. **Conflicts of interests and outside interests**

As a director you have a duty to avoid conflicts of interest and to disclose personal interests in contracts.

It is accepted and acknowledged that you have business and other interests outside the Company. Subject to such interests not giving rise to a conflict of interest, the Company does not object to you continuing with such interests provided they have been fully disclosed and accepted by the Company prior to the Appointment. Should you become aware of any actual or potential conflicts of interest in the course of the Appointment, these should be discussed with the Chairman as soon as possible. Conflicts must be recorded in accordance with the Board's stated policy.

Before taking on any additional outside interests, you should seek permission from the Board, having first discussed the matter with the Chairman.

8. **Confidentiality**

All information acquired during the Appointment is confidential to the Company. During the Appointment and following termination (by whatever means), no information should be disclosed to third parties or used for any reason other than in the interests of the Company, without prior clearance from the Chairman. Where information is legitimately passed to a third party, you are responsible for ensuring that the third party is subject to appropriate reciprocal obligations to preserve the confidentiality of the Company's information.

Your attention is specifically drawn to the requirements of legislation and regulation regarding the possession and disclosure of price sensitive information (PSI). You should ensure that you are familiar with requirements placed on companies and individuals relating to PSI, in particular, under the Listing Rules and the FSA's Market Abuse regime and should not make any statement on behalf of the Company that would result in a breach of those requirements.

You and any person nominated by you to assist you in the performance of your duties as a director eg a PA, will be required to adhere to the Company's insider policy. Whenever requested to do so, and in any event on ceasing to be a director of the Company, you will deliver to the Company any documents, papers and records including any copies, which may have been prepared for you or have come into your possession (or the possession of any nominated person), either electronically or otherwise, in your capacity as a director of the Company. Title and copyright in any such documentation or record, including copies, shall vest in the Company. Details of any specific arrangement that may be relevant to you should be agreed with the Chairman and the General Counsel.

9. **Induction**

As soon as is reasonably practical after the Appointment, the Company will provide a comprehensive, formal and tailored induction. It is envisaged that this would involve approximately two/three business days.

10. **Professional Development**

As a director you should be prepared to undertake appropriate educational and/or professional development programmes which may be identified as part of the annual Board evaluation programme, by the Board generally, or by the Chairman. To assist you in this regard, the Company has introduced an Executive Business Awareness (EBA) programme. EBA sessions usually take place following most Board meetings. Additional training sessions may be arranged for directors as required.

11. **Board Evaluation**

The performance of individual directors, the Board and its Committees is evaluated annually. If, in the interim, there are any matters which cause you concern about your role you should discuss them with the Chairman as soon as is appropriate.

12. **Insurance**

The Company has directors' and officers' liability insurance and it is intended to maintain appropriate levels of cover. For the 12 months commencing the 1 July 2011 Company has purchased cover of £100m.

13. **Indemnity**

Directors are indemnified by the Company to the extent permitted by law, in relation to claims arising in the course of their office. A Deed of Indemnity will be sent to you for signature upon the Appointment.

14. **Directors' Dealings in Securities of the Company**

The Company has adopted the U.K. Listing Authority's Model Code on directors' dealings. Under its terms at certain times in the year directors are restricted from dealing in the ordinary shares of the Company. These periods are normally two months prior to a dividend or results announcement and are detailed in the Board agenda. If you wish to deal in the Company's ordinary shares at other times, prior authority is required from the Chairman (or Vice Chairman) and Group Chief Executive (or Chief Financial Officer). Details of the transaction should be forwarded to the Head of Company Secretariat so that the relevant information can be disclosed to the Stock Exchange.

15. **Director's Share Qualification**

Directors are not required under the Company's Articles of Association to have a holding in the Company's ordinary shares. However, as a Board, we expect directors to own shares in the Company, for most non-executive directors, this is built up via monthly share purchases referred to in paragraph 6 above.

16. **Regulated Company**

You are required to comply with any personal obligations imposed on directors by statute or regulation including the FSA's Statement of Principle and Code of Practice for Approved Persons.

A number of Legal & General companies are regulated under the Financial Services and Markets Act 2000. As a non-executive director having oversight of those companies, you require approval from the Financial Services Authority (FSA) to carry out Controlled Function 2 – non executive director function. The Appointment is subject to you maintaining Approved Person status throughout your term of office.

17. **Independent Professional Advice**

Occasions may arise when you consider that you need professional advice in the furtherance of your duties as a director. Circumstances may occur when it will be appropriate for you to seek advice from independent advisors at the Company's expense. Such independent advice may be obtained at the Company's expense. We do, however, request that you notify the General Counsel before incurring such expense.

18. **Data Protection**

By signing this letter you consent to the Company holding and processing information about you for legal, personnel, administrative and management purposes and in particular to the processing of any sensitive personal data (as defined in the Data Protection Act 1998) including, as appropriate:

- (a) Information about your physical or mental health or condition in order to monitor sick leave and take decisions as to your fitness for work; and

- (b) Information required in order to monitor compliance with equal opportunities legislation; and
- (c) Information relating to any criminal proceedings in which you have been involved for insurance purposes and in order to comply with legal requirements and obligations to third parties.

You consent to the Company making such information available to any of its group companies, those who provide products of services to the Company (such as advisers and payroll administrators), regulatory authorities, potential or future employers, governmental or quasi-governmental organisations and potential purchasers of the Company.

You also consent to the transfer of such information to the Company's business contacts outside the European Economic Area in order to further its business interests.

19. **Third Party Rights**

The Contracts (Rights of Third Parties) Act 1999 will not apply to this letter. No person other than you and the Company will have any rights under this letter and the terms of this letter will not be enforceable by any person other than you and the Company.

Please sign and return the duplicate copy of this letter by way of acceptance of its terms.

Yours sincerely

John Stewart
Chairman
Legal & General Group Plc

I accept the terms of the Appointment as set out above

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DIRECTOR

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Date