

# **Legal & General Insurance Limited**

**Annual FSA Insurance Returns for the year ended**

**31 December 2010**

**IPRU(INS) Appendices 9.1, 9.2, 9.5, 9.6**

Returns under the Accounts and Statements Rules

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### Legal & General Insurance Limited

#### Financial period ended 31 December 2010

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#### Statements required by Rules

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References to Rules and Appendices are references to the Rules and Appendices of the Interim Prudential Sourcebook for Insurers - IPRU(INS).

**Statement of solvency - general insurance business**Name of insurer **Legal & General Insurance Limited**

Global business

Financial year ended **31 December 2010**

Solo solvency calculation

	Company registration number	GL/UK/CM	day	month	year	Units
<b>R1</b>	<b>423930</b>	<b>GL</b>	<b>31</b>	<b>12</b>	<b>2010</b>	<b>£000</b>
			<b>As at end of this financial year</b>			<b>As at end of the previous year</b>
			<b>1</b>			<b>2</b>

**Capital resources**

Capital resources arising outside the long-term insurance fund	<b>11</b>	90854	98214
Capital resources allocated towards long-term insurance business arising outside the long-term insurance fund	<b>12</b>		
Capital resources available to cover general insurance business capital resources requirement (11-12)	<b>13</b>	90854	98214

**Guarantee fund**

Guarantee fund requirement	<b>21</b>	16501	16501
Excess (deficiency) of available capital resources to cover guarantee fund requirement	<b>22</b>	74353	81713

**Minimum capital requirement (MCR)**

General insurance capital requirement	<b>31</b>	49503	49503
Base capital resources requirement	<b>33</b>	3040	3128
Individual minimum capital requirement	<b>34</b>	49503	49503
Capital requirements of regulated related undertakings	<b>35</b>		
Minimum capital requirement (34+35)	<b>36</b>	49503	49503
Excess (deficiency) of available capital resources to cover 50% of MCR	<b>37</b>	64766	73462
Excess (deficiency) of available capital resources to cover 75% of MCR	<b>38</b>	53727	61087

**Capital resources requirement (CRR)**

Capital resources requirement	<b>41</b>	49503	49503
Excess (deficiency) of available capital resources to cover general insurance business CRR (13-41)	<b>42</b>	41351	48711

**Contingent liabilities**

Quantifiable contingent liabilities in respect of other than long-term insurance business as shown in a supplementary note to Form 15	<b>51</b>		
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**Covering Sheet to Form 1**

Name of insurer **Legal & General Insurance Limited**

Global business

Financial year ended **31 December 2010**

.....  
**J.B. Pollock**

.....  
**D.A. Finch**

.....  
**M.A. Lawler**

**Birmingham 15 March 2011**  
.....

**Components of capital resources**

Name of insurer **Legal & General Insurance Limited**

Global business

Financial year ended **31 December 2010**

	Company registration number	GL/UK/CM	day month year			Units	
	<b>R3</b>	<b>423930</b>	<b>GL</b>	<b>31</b>	<b>12</b>	<b>2010</b>	<b>£000</b>
		General insurance business	Long-term insurance business	Total as at the end of this financial year		Total as at the end of the previous year	
		<b>1</b>	<b>2</b>	<b>3</b>		<b>4</b>	

**Core tier one capital**

Permanent share capital	<b>11</b>	3500		3500	3500
Profit and loss account and other reserves	<b>12</b>	(10035)		(10035)	(1337)
Share premium account	<b>13</b>	96053		96053	96053
Positive valuation differences	<b>14</b>				
Fund for future appropriations	<b>15</b>				
Core tier one capital in related undertakings	<b>16</b>				
Core tier one capital (sum of 11 to 16)	<b>19</b>	89518		89518	98216

**Tier one waivers**

Unpaid share capital / unpaid initial funds and calls for supplementary contributions	<b>21</b>				
Implicit Items	<b>22</b>				
Tier one waivers in related undertakings	<b>23</b>				
Total tier one waivers as restricted (21+22+23)	<b>24</b>				

**Other tier one capital**

Perpetual non-cumulative preference shares as restricted	<b>25</b>				
Perpetual non-cumulative preference shares in related undertakings	<b>26</b>				
Innovative tier one capital as restricted	<b>27</b>				
Innovative tier one capital in related undertakings	<b>28</b>				

<b>Total tier one capital before deductions (19+24+25+26+27+28)</b>	<b>31</b>	89518		89518	98216
Investments in own shares	<b>32</b>				
Intangible assets	<b>33</b>				
Amounts deducted from technical provisions for discounting	<b>34</b>				
Other negative valuation differences	<b>35</b>				
Deductions in related undertakings	<b>36</b>				
Deductions from tier one (32 to 36)	<b>37</b>				
<b>Total tier one capital after deductions (31-37)</b>	<b>39</b>	89518		89518	98216

Components of capital resources

Name of insurer **Legal & General Insurance Limited**

Global business

Financial year ended **31 December 2010**

	Company registration number	GL/UK/CM	day month year			Units	
	<b>R3</b>	<b>423930</b>	<b>GL</b>	<b>31</b>	<b>12</b>	<b>2010</b>	<b>£000</b>
		General insurance business	Long-term insurance business	Total as at the end of this financial year		Total as at the end of the previous year	
		<b>1</b>	<b>2</b>	<b>3</b>		<b>4</b>	

**Tier two capital**

Implicit items, (tier two waivers and amounts excluded from line 22)	<b>41</b>				
Perpetual non-cumulative preference shares excluded from line 25	<b>42</b>				
Innovative tier one capital excluded from line 27	<b>43</b>				
Tier two waivers, innovative tier one capital and perpetual non-cumulative preference shares treated as tier two capital (41 to 43)	<b>44</b>				
Perpetual cumulative preference shares	<b>45</b>	3500		3500	3500
Perpetual subordinated debt and securities	<b>46</b>				
Upper tier two capital in related undertakings	<b>47</b>				
<b>Upper tier two capital (44 to 47)</b>	<b>49</b>	3500		3500	3500

Fixed term preference shares	<b>51</b>				
Other tier two instruments	<b>52</b>				
Lower tier two capital in related undertakings	<b>53</b>				
<b>Lower tier two capital (51+52+53)</b>	<b>59</b>				

<b>Total tier two capital before restrictions (49+59)</b>	<b>61</b>	3500		3500	3500
Excess tier two capital	<b>62</b>				
Further excess lower tier two capital	<b>63</b>				
<b>Total tier two capital after restrictions, before deductions (61-62-63)</b>	<b>69</b>	3500		3500	3500

**Components of capital resources**

Name of insurer **Legal & General Insurance Limited**

Global business

Financial year ended **31 December 2010**

	Company registration number	GL/UK/CM	day	month	year	Units	
	<b>R3</b>	<b>423930</b>	<b>GL</b>	<b>31</b>	<b>12</b>	<b>2010</b>	<b>£000</b>
		General insurance business	Long-term insurance business	Total as at the end of this financial year		Total as at the end of the previous year	
		<b>1</b>	<b>2</b>	<b>3</b>		<b>4</b>	

**Total capital resources**

Positive adjustments for regulated non-insurance related undertakings	<b>71</b>				
<b>Total capital resources before deductions (39+69+71)</b>	<b>72</b>	93018		93018	101716
Inadmissible assets other than intangibles and own shares	<b>73</b>	2164		2164	3502
Assets in excess of market risk and counterparty limits	<b>74</b>				
Deductions for related ancillary services undertakings	<b>75</b>				
Deductions for regulated non-insurance related undertakings	<b>76</b>				
Deductions of ineligible surplus capital	<b>77</b>				
<b>Total capital resources after deductions (72-73-74-75-76-77)</b>	<b>79</b>	90854		90854	98214

**Available capital resources for GENPRU/INSRU tests**

Available capital resources for guarantee fund requirement	<b>81</b>	90854		90854	98214
Available capital resources for 50% MCR requirement	<b>82</b>	89518		89518	98214
Available capital resources for 75% MCR requirement	<b>83</b>	90854		90854	98214

**Financial engineering adjustments**

Implicit items	<b>91</b>				
Financial reinsurance - ceded	<b>92</b>				
Financial reinsurance - accepted	<b>93</b>				
Outstanding contingent loans	<b>94</b>				
Any other charges on future profits	<b>95</b>				
<b>Sum of financial engineering adjustments (91+92-93+94+95)</b>	<b>96</b>				

**Calculation of general insurance capital requirement - premiums amount and brought forward amount**

 Name of insurer **Legal & General Insurance Limited**

Global business

 Financial year ended **31 December 2010**

General insurance business

	Company registration number	GL/UK/CM	day	month	year	Units	
	R11	423930	GL	31	12	2010	£000
						This financial year 1	Previous year 2
Gross premiums written			11			281038	272927
Premiums taxes and levies (included in line 11)			12				
Premiums written net of taxes and levies (11-12)			13			281038	272927
Premiums for classes 11, 12 or 13 (included in line 13)			14				
Premiums for "actuarial health insurance" (included in line 13)			15				
<b>Sub-total A (13 + 1/2 14 - 2/3 15)</b>			16			281038	272927
Gross premiums earned			21			266690	284461
Premium taxes and levies (included in line 21)			22				
Premiums earned net of taxes and levies (21-22)			23			266690	284461
Premiums for classes 11, 12 or 13 (included in line 23)			24				
Premiums for "actuarial health insurance" (included in line 23)			25				
<b>Sub-total H (23 + 1/2 24 - 2/3 25)</b>			26			266690	284461
<b>Sub-total I (higher of sub-total A and sub-total H)</b>			30			281038	284461
<b>Adjusted sub-total I if financial year is not a 12 month period to produce an annual figure</b>			31				
Division of gross adjusted premiums amount sub-total I (or adjusted sub-total I if appropriate)	x 0.18		32			50587	51203
	Excess (if any) over 57.5M EURO x 0.02		33			4622	4661
<b>Sub-total J (32-33)</b>			34			45965	46542
Claims paid in period of 3 financial years			41			572548	667167
Claims outstanding carried forward at the end of the 3 year period	For insurance business accounted for on an underwriting year basis		42				
	For insurance business accounted for on an accident year basis		43			126050	108812
Claims outstanding brought forward at the beginning of the 3 year period	For insurance business accounted for on an underwriting year basis		44				
	For insurance business accounted for on an accident year basis		45			169561	133289
<b>Sub-total C (41+42+43-44-45)</b>			46			529037	642690
Amounts recoverable from reinsurers in respect of claims included in Sub-total C			47			1071	10844
<b>Sub-total D (46-47)</b>			48			527966	631846
<b>Reinsurance Ratio (Sub-total D /sub-total C or, if more, 0.50 or, if less, 1.00)</b>			49			1.00	0.98
<b>Premiums amount (Sub-total J x reinsurance ratio)</b>			50			45872	45756
Provision for claims outstanding (before discounting and net of reinsurance)			51			125296	106416
Provision for claims outstanding (before discounting and gross of reinsurance) if both 51.1 and 51.2 are zero, otherwise zero			52				
<b>Brought forward amount (See instruction 4)</b>			53			49503	45884
Greater of lines 50 and 53			54			49503	45884



**Calculation of general insurance capital requirement - claims amount and result**Name of insurer **Legal & General Insurance Limited**

Global business

Financial year ended **31 December 2010**

General insurance business

		Company registration number	GL/ UK/ CM	day month year			Units	
		R12	423930	GL	31	12	2010	£000
				This financial year 1			Previous year 2	
Reference period (No. of months) See INSPRU 1.1.63R				11	36			36
Claims paid in reference period				21	572548			667160
Claims outstanding carried forward at the end of the reference period	For insurance business accounted for on an underwriting year basis			22				
	For insurance business accounted for on an accident year basis			23	126050			108812
Claims outstanding brought forward at the beginning of the reference period	For insurance business accounted for on an underwriting year basis			24				
	For insurance business accounted for on an accident year basis			25	169561			133289
Claims incurred in reference period (21+22+23-24-25)				26	529037			642683
Claims incurred for classes 11, 12 or 13 (included in 26)				27				
Claims incurred for "actuarial health insurance" (included in 26)				28				
<b>Sub-total E (26 +1/2 27 - 2/3 28)</b>				29	529037			642683
<b>Sub-total F - Conversion of sub-total E to annual figure (multiply by 12 and divide by number of months in the reference period)</b>				31	176346			214228
Division of sub-total F (gross adjusted claims amount)	x 0.26			32	45850			55699
	Excess (if any) over 40.3M EURO x 0.03			33	4240			5346
<b>Sub-total G (32-33)</b>				39	41610			50353
<b>Claims amount Sub-total G x reinsurance ratio (11.49)</b>				41	41525			49503
Higher of premiums amount and brought forward amount (11.54)				42	49503			45884
<b>General insurance capital requirement (higher of lines 41 and 42)</b>				43	49503			49503

**Analysis of admissible assets**

Name of insurer **Legal & General Insurance Limited**

Global business

Financial year ended **31 December 2010**

Category of assets **Total other than long term insurance business assets**

	Company registration number	GL/UK/CM	day	month	year	Units	Category of assets	
	<b>R13</b>	<b>423930</b>	<b>GL</b>	<b>31</b>	<b>12</b>	<b>2010</b>	<b>£000</b>	<b>1</b>
						<b>As at end of this financial year</b>	<b>As at end of the previous year</b>	
						<b>1</b>	<b>2</b>	
Land and buildings						<b>11</b>		

**Investments in group undertakings and participating interests**

UK insurance dependants	Shares	<b>21</b>		
	Debts and loans	<b>22</b>		
Other insurance dependants	Shares	<b>23</b>		
	Debts and loans	<b>24</b>		
Non-insurance dependants	Shares	<b>25</b>	2608	2608
	Debts and loans	<b>26</b>		
Other group undertakings	Shares	<b>27</b>		
	Debts and loans	<b>28</b>		
Participating interests	Shares	<b>29</b>		
	Debts and loans	<b>30</b>		

**Other financial investments**

Equity shares	<b>41</b>			
Other shares and other variable yield participations	<b>42</b>			
Holdings in collective investment schemes	<b>43</b>			
Rights under derivative contracts	<b>44</b>			
Fixed interest securities	Approved	<b>45</b>	80634	31759
	Other	<b>46</b>	185623	184503
Variable interest securities	Approved	<b>47</b>		
	Other	<b>48</b>	12823	24591
Participation in investment pools	<b>49</b>			
Loans secured by mortgages	<b>50</b>			
Loans to public or local authorities and nationalised industries or undertakings	<b>51</b>			
Loans secured by policies of insurance issued by the company	<b>52</b>			
Other loans	<b>53</b>			
Bank and approved credit & financial institution deposits	One month or less withdrawal	<b>54</b>	6206	35007
	More than one month withdrawal	<b>55</b>		
Other financial investments	<b>56</b>			
Deposits with ceding undertakings	<b>57</b>			
Assets held to match linked liabilities	Index linked	<b>58</b>		
	Property linked	<b>59</b>		

**Analysis of admissible assets**

Name of insurer **Legal & General Insurance Limited**

Global business

Financial year ended **31 December 2010**

Category of assets **Total other than long term insurance business assets**

Company registration number	GL/UK/CM	day	month	year	Units	Category of assets	
<b>R13</b>	<b>423930</b>	<b>GL</b>	<b>31</b>	<b>12</b>	<b>2010</b>	<b>£000</b>	<b>1</b>
					<b>As at end of this financial year</b>	<b>As at end of the previous year</b>	
					<b>1</b>	<b>2</b>	

**Reinsurers' share of technical provisions**

Provision for unearned premiums	<b>60</b>	7453	8372
Claims outstanding	<b>61</b>	754	2396
Provision for unexpired risks	<b>62</b>		
Other	<b>63</b>		

**Debtors and salvage**

Direct insurance business	Policyholders	<b>71</b>	58154	64244
	Intermediaries	<b>72</b>	17447	12540
Salvage and subrogation recoveries		<b>73</b>		
Reinsurance	Accepted	<b>74</b>		
	Ceded	<b>75</b>		1554
Dependants	due in 12 months or less	<b>76</b>		
	due in more than 12 months	<b>77</b>		
Other	due in 12 months or less	<b>78</b>	3495	
	due in more than 12 months	<b>79</b>		

**Other assets**

Tangible assets	<b>80</b>	114	182
Deposits not subject to time restriction on withdrawal with approved institutions	<b>81</b>	7125	5334
Cash in hand	<b>82</b>		
Other assets (particulars to be specified by way of supplementary note)	<b>83</b>		
Accrued interest and rent	<b>84</b>	6753	4878
Deferred acquisition costs (general business only)	<b>85</b>	44680	39291
Other prepayments and accrued income	<b>86</b>		

Deductions from the aggregate value of assets	<b>87</b>		
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Grand total of admissible assets after deduction of admissible assets in excess of market risk and counterparty limits (11 to 86 less 87)	<b>89</b>	433869	417259
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**Analysis of admissible assets**

Name of insurer **Legal & General Insurance Limited**

Global business

Financial year ended **31 December 2010**

Category of assets **Total other than long term insurance business assets**

Company registration number	GL/UK/CM	day	month	year	Units	Category of assets	
R13	423930	GL	31	12	2010	£000	1
					As at end of this financial year	As at end of the previous year	
					1	2	

**Reconciliation to asset values determined in accordance with the insurance accounts rules or international accounting standards as applicable to the firm for the purpose of its external financial reporting**

Total admissible assets after deduction of admissible assets in excess of market risk and counterparty limits (as per line 89 above)	91	433869	417259
Admissible assets in excess of market and counterparty limits	92		
Inadmissible assets directly held	93	2164	3502
Capital resources requirement deduction of regulated related undertakings	94		
Ineligible surplus capital and restricted assets in regulated related insurance undertakings	95		
Inadmissible assets of regulated related undertakings	96		
Book value of related ancillary services undertakings	97		
Other differences in the valuation of assets (other than for assets not valued above)	98		
Deferred acquisition costs excluded from line 89	99		
Reinsurers' share of technical provisions excluded from line 89	100		
Other asset adjustments (may be negative)	101		
Total assets determined in accordance with the insurance accounts rules or international accounting standards as applicable to the firm for the purpose of its external financial reporting (91 to 101)	102	436033	420761
Amounts included in line 89 attributable to debts due from related insurers, other than those under contracts of insurance or reinsurance	103		

**Liabilities (other than long term insurance business)**Name of insurer **Legal & General Insurance Limited**

Global business

Financial year ended **31 December 2010**

	Company registration number	GL/ UK/ CM	day	month	year	Units
<b>R15</b>	<b>423930</b>	<b>GL</b>	<b>31</b>	<b>12</b>	<b>2010</b>	<b>£000</b>
					<b>As at end of this financial year 1</b>	<b>As at end of the previous year 2</b>

**Technical provisions (gross amount)**

Provisions for unearned premiums	<b>11</b>	134457	120108
Claims outstanding	<b>12</b>	126050	108812
Provision for unexpired risks	<b>13</b>		
Equalisation provisions	Credit business	<b>14</b>	
	Other than credit business	<b>15</b>	14429
Other technical provisions	<b>16</b>		
Total gross technical provisions (11 to 16)	<b>19</b>	282273	243349

**Provisions and creditors**

Provisions	Taxation	<b>21</b>		
	Other risks and charges	<b>22</b>		102
Deposits received from reinsurers	<b>31</b>			
Creditors	Direct insurance business	<b>41</b>	13378	9350
	Reinsurance accepted	<b>42</b>		
	Reinsurance ceded	<b>43</b>	8075	12570
Debenture loans	Secured	<b>44</b>		
	Unsecured	<b>45</b>		
Amounts owed to credit institutions	<b>46</b>			
Creditors	Taxation	<b>47</b>		3258
	Foreseeable dividend	<b>48</b>		
	Other	<b>49</b>	38562	49601
Accruals and deferred income	<b>51</b>	727	815	
Total (19 to 51)	<b>59</b>	343015	319045	
Provision for "reasonably foreseeable adverse variations"	<b>61</b>			
Cumulative preference share capital	<b>62</b>	3500	3500	
Subordinated loan capital	<b>63</b>			
Total (59 to 63)	<b>69</b>	346515	322545	

Amounts included in line 69 attributable to liabilities to related insurers, other than those under contracts of insurance or reinsurance	<b>71</b>	16931	16618
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Amounts deducted from technical provisions for discounting	<b>82</b>		
Other adjustments (may be negative)	<b>83</b>		
Capital and reserves	<b>84</b>	89518	98216
Total liabilities under insurance accounts rules or international accounting standards as applicable to the firm for the purpose of its external financial reporting (69-82+83+84)	<b>85</b>	436033	420761

**Profit and loss account (non-technical account)**Name of insurer **Legal & General Insurance Limited**

Global business

Financial year ended **31 December 2010**

		Company registration number	GL/ UK/ CM	day	month	year	Units	
		<b>R16</b>	<b>423930</b>	<b>GL</b>	<b>31</b>	<b>12</b>	<b>2010</b>	<b>£000</b>
				<b>This financial year</b>		<b>Previous year</b>		
				<b>1</b>		<b>2</b>		
Transfer (to)/from the general insurance business technical account	From Form 20	<b>11</b>				<b>(29249)</b>	<b>(3585)</b>	
	Equalisation provisions	<b>12</b>				<b>(7337)</b>	<b>(6672)</b>	
Transfer from the long term insurance business revenue account		<b>13</b>						
Investment income	Income	<b>14</b>				14823	14094	
	Value re-adjustments on investments	<b>15</b>				13166	14527	
	Gains on the realisation of investments	<b>16</b>				<b>(2738)</b>	<b>(3839)</b>	
Investment charges	Investment management charges, including interest	<b>17</b>				404	383	
	Value re-adjustments on investments	<b>18</b>						
	Loss on the realisation of investments	<b>19</b>						
Allocated investment return transferred to the general insurance business technical account		<b>20</b>						
Other income and charges (particulars to be specified by way of supplementary note)		<b>21</b>						
Profit or loss on ordinary activities before tax (11+12+13+14+15+16-17-18-19-20+21)		<b>29</b>				<b>(11739)</b>	14142	
Tax on profit or loss on ordinary activities		<b>31</b>				<b>(3041)</b>	630	
Profit or loss on ordinary activities after tax (29-31)		<b>39</b>				<b>(8698)</b>	13512	
Extraordinary profit or loss (particulars to be specified by way of supplementary note)		<b>41</b>						
Tax on extraordinary profit or loss		<b>42</b>						
Other taxes not shown under the preceding items		<b>43</b>						
Profit or loss for the financial year (39+41-(42+43))		<b>49</b>				<b>(8698)</b>	13512	
Dividends (paid or foreseeable)		<b>51</b>						
Profit or loss retained for the financial year (49-51)		<b>59</b>				<b>(8698)</b>	13512	

General insurance business : Summary of business carried on

Name of insurer **Legal & General Insurance Limited**

Global business

Financial year ended **31 December 2010**

		Company registration number	GL/UK/CM	day month year			units	
		R20A	423930	GL	31	12	2010	£000
Category number	FSA return general insurance business reporting category		Gross Premium written in this financial year 1	Provision for undiscounted gross claims outstanding at the end of this financial year		Provision for gross unearned premium at the end of this financial year 4		
				Reported 2	Incurred but not reported 3			
1	Total business	1	281038	91534	27560	134457		
2	Total primary (direct) and facultative business	2	281038	91534	27560	134457		
3	Total treaty reinsurance accepted business	3						
110	Total primary (direct) and facultative accident and health (category numbers 111 to 114)	4	(1)					
120	Total primary (direct) and facultative personal lines motor business (category numbers 121 to 123)	5		3022	797			
160	Primary (direct) and facultative household and domestic all risks	6	258574	83640	25530	125093		
180	Total primary (direct) and facultative personal lines financial loss (category numbers 181 to 187)	7	22465	4868	1231	9364		
220	Total primary (direct) and facultative commercial motor business (category numbers 221 to 223)	8		4	2			
260	Total primary (direct) and facultative commercial lines property (category numbers 261 to 263)	9						
270	Total primary (direct) and facultative commercial lines liability business (category numbers 271 to 274)	10						
280	Total primary (direct) and facultative commercial lines financial loss (category numbers 281 to 284)	11						
330	Total primary (direct) and facultative aviation (category numbers 331 to 333)	12						
340	Total primary (direct) and facultative marine (category numbers 341 to 347)	13						
350	Total primary (direct) and facultative goods in transit	14						
400	Miscellaneous primary (direct) and facultative business	15						
500	Total non-proportional treaty reinsurance business accepted (category numbers 510 to 590)	16						
600	Total proportional treaty reinsurance business accepted (category numbers 610 to 690)	17						
700	Miscellaneous treaty reinsurance accepted business	18						
	Total (lines 4 to 18)	20	281038	91534	27560	134457		

General insurance business : Summary of business carried on

Name of insurer **Legal & General Insurance Limited**

Global business

Financial year ended **31 December 2010**

R20A	Company registration number	GL/UK/CM	day month year			units
			31	12	2010	
	423930	GL				£000
Category number	FSA return general insurance business reporting category	Gross Premium written in this financial year	Provision for undiscounted gross claims outstanding at the end of this financial year		Provision for gross unearned premium at the end of this financial year	
			Reported	Incurred but not reported		
		1	2	3	4	

Primary (direct) and facultative personal lines business

111	Medical insurance	21	(1)			
112	HealthCare cash plans	22				
113	Travel	23				
114	Personal accident or sickness	24				
121	Private motor - comprehensive	25		2951	779	
122	Private motor - non-comprehensive	26		71	18	
123	Motor cycle	27				
160	Household and domestic all risks (equals line 6)	28	258574	83640	25530	125093
181	Assistance	29				
182	Creditor	30	22465	4703	1081	9134
183	Extended warranty	31				
184	Legal expenses	32				
185	Mortgage indemnity	33		165	150	230
186	Pet insurance	34				
187	Other personal financial loss	35				

Primary (direct) and facultative commercial lines business

221	Fleets	41		4	2	
222	Commercial vehicles (non-fleet)	42				
223	Motor other	43				
261	Commercial property	44				
262	Consequential loss	45				
263	Contractors or engineering all risks	46				
271	Employers liability	47				
272	Professional indemnity	48				
273	Public and products liability	49				
274	Mixed commercial package	50				
281	Fidelity and contract guarantee	51				
282	Credit	52				
283	Suretyship	53				
284	Commercial contingency	54				

Primary (direct) and facultative aviation

331	Aviation liability	61				
332	Aviation hull	62				
333	Space and satellite	63				





**General insurance business : Technical account (excluding equalisation provisions)**Name of insurer **Legal & General Insurance Limited**

Global business

Financial year ended **31 December 2010****Total business**

		Company registration number	GL/ UK/ CM	day	month	year	Units	Category number	
		<b>R20</b>	<b>423930</b>	<b>GL</b>	<b>31</b>	<b>12</b>	<b>2010</b>	<b>£000</b>	<b>001</b>
<b>Items to be shown net of reinsurance</b>				<b>This financial year</b>			<b>Previous year</b>		
				<b>1</b>			<b>2</b>		
This year's underwriting (accident year accounting)	Earned premium (21.19.5)	11	249410	265990					
	Claims incurred (22.17.4)	12	171601	161109					
	Claims management costs (22.18.4)	13	11168	9250					
	Adjustment for discounting (22.52.4)	14							
	Increase in provision for unexpired risks (22.19.4)	15							
	Other technical income or charges (particulars to be specified by way of supplementary note)	16							
	Net operating expenses (22.42.4)	17	101638	109981					
	Balance of year's underwriting (11-12-13+14-15+16-17)	19	(34997)	(14350)					
Adjustment for prior years' underwriting (accident year accounting)	Earned premium (21.11.5)	21							
	Claims incurred (22.13.4)	22	(6507)	(12258)					
	Claims management costs (22.14.4)	23	759	1493					
	Adjustment for discounting (22.51.4)	24							
	Other technical income or charges (particulars to be specified by way of supplementary note)	25							
	Net operating expenses (22.41.4)	26							
	Balance (21-22-23+24+25-26)	29	5748	10765					
Balance from underwriting year accounting	Per Form 24 (24.69.99-99)	31							
	Other technical income or charges (particulars to be specified by way of supplementary note)	32							
	Total	39							
Balance of all years' underwriting (19+29+39)		49	(29249)	(3585)					
Allocated investment income		51							
Transfer to non-technical account (49+51)		59	(29249)	(3585)					

**General insurance business : Technical account (excluding equalisation provisions)**Name of insurer **Legal & General Insurance Limited**

Global business

Financial year ended **31 December 2010****Total primary (direct) and facultative business**

		Company registration number	GL/ UK/ CM	day	month	year	Units	Category number	
		<b>R20</b>	<b>423930</b>	<b>GL</b>	<b>31</b>	<b>12</b>	<b>2010</b>	<b>£000</b>	<b>002</b>
Items to be shown net of reinsurance				This financial year			Previous year		
				1			2		
This year's underwriting (accident year accounting)	Earned premium (21.19.5)	11	249410	265990					
	Claims incurred (22.17.4)	12	171601	161109					
	Claims management costs (22.18.4)	13	11168	9250					
	Adjustment for discounting (22.52.4)	14							
	Increase in provision for unexpired risks (22.19.4)	15							
	Other technical income or charges (particulars to be specified by way of supplementary note)	16							
	Net operating expenses (22.42.4)	17	101638	109981					
	Balance of year's underwriting (11-12-13+14-15+16-17)	19	(34997)	(14350)					
Adjustment for prior years' underwriting (accident year accounting)	Earned premium (21.11.5)	21							
	Claims incurred (22.13.4)	22	(6507)	(12258)					
	Claims management costs (22.14.4)	23	759	1493					
	Adjustment for discounting (22.51.4)	24							
	Other technical income or charges (particulars to be specified by way of supplementary note)	25							
	Net operating expenses (22.41.4)	26							
	Balance (21-22-23+24+25-26)	29	5748	10765					
Balance from underwriting year accounting	Per Form 24 (24.69.99-99)	31							
	Other technical income or charges (particulars to be specified by way of supplementary note)	32							
	Total	39							
Balance of all years' underwriting (19+29+39)		49	(29249)	(3585)					
Allocated investment income		51							
Transfer to non-technical account (49+51)		59	(29249)	(3585)					

**General insurance business : Technical account (excluding equalisation provisions)**Name of insurer **Legal & General Insurance Limited**

Global business

Financial year ended **31 December 2010****Total primary (direct) and facultative accident and health**

		Company registration number	GL/ UK/ CM	day	month	year	Units	Category number	
		<b>R20</b>	<b>423930</b>	<b>GL</b>	<b>31</b>	<b>12</b>	<b>2010</b>	<b>£000</b>	<b>110</b>
Items to be shown net of reinsurance			This financial year				Previous year		
			1				2		
This year's underwriting (accident year accounting)	Earned premium (21.19.5)	11	(1)				(2)		
	Claims incurred (22.17.4)	12							
	Claims management costs (22.18.4)	13	2						
	Adjustment for discounting (22.52.4)	14							
	Increase in provision for unexpired risks (22.19.4)	15							
	Other technical income or charges (particulars to be specified by way of supplementary note)	16							
	Net operating expenses (22.42.4)	17					13		
	Balance of year's underwriting (11-12-13+14-15+16-17)	19	(3)				(15)		
Adjustment for prior years' underwriting (accident year accounting)	Earned premium (21.11.5)	21							
	Claims incurred (22.13.4)	22	(14)				11		
	Claims management costs (22.14.4)	23	1				3		
	Adjustment for discounting (22.51.4)	24							
	Other technical income or charges (particulars to be specified by way of supplementary note)	25							
	Net operating expenses (22.41.4)	26							
	Balance (21-22-23+24+25-26)	29	13				(14)		
Balance from underwriting year accounting	Per Form 24 (24.69.99-99)	31							
	Other technical income or charges (particulars to be specified by way of supplementary note)	32							
	Total	39							
Balance of all years' underwriting (19+29+39)		49	10				(29)		
Allocated investment income		51							
Transfer to non-technical account (49+51)		59	10				(29)		

**General insurance business : Technical account (excluding equalisation provisions)**Name of insurer **Legal & General Insurance Limited**

Global business

Financial year ended **31 December 2010****Total primary (direct) and facultative personal lines motor business**

		Company registration number	GL/ UK/ CM	day	month	year	Units	Category number	
		<b>R20</b>	<b>423930</b>	<b>GL</b>	<b>31</b>	<b>12</b>	<b>2010</b>	<b>£000</b>	<b>120</b>
Items to be shown net of reinsurance			This financial year				Previous year		
			1				2		
This year's underwriting (accident year accounting)	Earned premium (21.19.5)	11							
	Claims incurred (22.17.4)	12							
	Claims management costs (22.18.4)	13				1			
	Adjustment for discounting (22.52.4)	14							
	Increase in provision for unexpired risks (22.19.4)	15							
	Other technical income or charges (particulars to be specified by way of supplementary note)	16							
	Net operating expenses (22.42.4)	17				21		170	
	Balance of year's underwriting (11-12-13+14-15+16-17)	19				(22)		(170)	
Adjustment for prior years' underwriting (accident year accounting)	Earned premium (21.11.5)	21							
	Claims incurred (22.13.4)	22				605		(5000)	
	Claims management costs (22.14.4)	23				(12)		(159)	
	Adjustment for discounting (22.51.4)	24							
	Other technical income or charges (particulars to be specified by way of supplementary note)	25							
	Net operating expenses (22.41.4)	26							
	Balance (21-22-23+24+25-26)	29				(593)		5159	
Balance from underwriting year accounting	Per Form 24 (24.69.99-99)	31							
	Other technical income or charges (particulars to be specified by way of supplementary note)	32							
	Total	39							
Balance of all years' underwriting (19+29+39)		49				(615)		4989	
Allocated investment income		51							
Transfer to non-technical account (49+51)		59				(615)		4989	

**General insurance business : Technical account (excluding equalisation provisions)**Name of insurer **Legal & General Insurance Limited**

Global business

Financial year ended **31 December 2010****Primary (direct) and facultative household and domestic all risks**

		Company registration number	GL/ UK/ CM	day	month	year	Units	Category number	
		<b>R20</b>	<b>423930</b>	<b>GL</b>	<b>31</b>	<b>12</b>	<b>2010</b>	<b>£000</b>	<b>160</b>
Items to be shown net of reinsurance				This financial year			Previous year		
				1			2		
This year's underwriting (accident year accounting)	Earned premium (21.19.5)	11	228383	241030					
	Claims incurred (22.17.4)	12	163621	146241					
	Claims management costs (22.18.4)	13	10864	8661					
	Adjustment for discounting (22.52.4)	14							
	Increase in provision for unexpired risks (22.19.4)	15							
	Other technical income or charges (particulars to be specified by way of supplementary note)	16							
	Net operating expenses (22.42.4)	17	92307	99065					
	Balance of year's underwriting (11-12-13+14-15+16-17)	19	(38409)	(12937)					
Adjustment for prior years' underwriting (accident year accounting)	Earned premium (21.11.5)	21							
	Claims incurred (22.13.4)	22	(5284)	(8582)					
	Claims management costs (22.14.4)	23	532	1457					
	Adjustment for discounting (22.51.4)	24							
	Other technical income or charges (particulars to be specified by way of supplementary note)	25							
	Net operating expenses (22.41.4)	26							
	Balance (21-22-23+24+25-26)	29	4752	7125					
Balance from underwriting year accounting	Per Form 24 (24.69.99-99)	31							
	Other technical income or charges (particulars to be specified by way of supplementary note)	32							
	Total	39							
Balance of all years' underwriting (19+29+39)		49	(33657)	(5812)					
Allocated investment income		51							
Transfer to non-technical account (49+51)		59	(33657)	(5812)					

**General insurance business : Technical account (excluding equalisation provisions)**Name of insurer **Legal & General Insurance Limited**

Global business

Financial year ended **31 December 2010****Total primary (direct) and facultative personal lines financial loss business**

		Company registration number	GL/ UK/ CM	day	month	year	Units	Category number	
		<b>R20</b>	<b>423930</b>	<b>GL</b>	<b>31</b>	<b>12</b>	<b>2010</b>	<b>£000</b>	<b>180</b>
Items to be shown net of reinsurance				This financial year			Previous year		
				1			2		
This year's underwriting (accident year accounting)	Earned premium (21.19.5)	11	21028	24962					
	Claims incurred (22.17.4)	12	7980	14868					
	Claims management costs (22.18.4)	13	301	589					
	Adjustment for discounting (22.52.4)	14							
	Increase in provision for unexpired risks (22.19.4)	15							
	Other technical income or charges (particulars to be specified by way of supplementary note)	16							
	Net operating expenses (22.42.4)	17	9309	10728					
	Balance of year's underwriting (11-12-13+14-15+16-17)	19	3438	(1223)					
Adjustment for prior years' underwriting (accident year accounting)	Earned premium (21.11.5)	21							
	Claims incurred (22.13.4)	22	(1677)	(794)					
	Claims management costs (22.14.4)	23	251	193					
	Adjustment for discounting (22.51.4)	24							
	Other technical income or charges (particulars to be specified by way of supplementary note)	25							
	Net operating expenses (22.41.4)	26							
	Balance (21-22-23+24+25-26)	29	1426	601					
Balance from underwriting year accounting	Per Form 24 (24.69.99-99)	31							
	Other technical income or charges (particulars to be specified by way of supplementary note)	32							
	Total	39							
Balance of all years' underwriting (19+29+39)		49	4864	(622)					
Allocated investment income		51							
Transfer to non-technical account (49+51)		59	4864	(622)					

**General insurance business : Technical account (excluding equalisation provisions)**Name of insurer **Legal & General Insurance Limited**

Global business

Financial year ended **31 December 2010****Total primary (direct) and facultative commercial motor business**

		Company registration number	GL/ UK/ CM	day	month	year	Units	Category number	
		<b>R20</b>	<b>423930</b>	<b>GL</b>	<b>31</b>	<b>12</b>	<b>2010</b>	<b>£000</b>	<b>220</b>
Items to be shown net of reinsurance				This financial year			Previous year		
				1			2		
This year's underwriting (accident year accounting)	Earned premium (21.19.5)		11						
	Claims incurred (22.17.4)		12						
	Claims management costs (22.18.4)		13						
	Adjustment for discounting (22.52.4)		14						
	Increase in provision for unexpired risks (22.19.4)		15						
	Other technical income or charges (particulars to be specified by way of supplementary note)		16						
	Net operating expenses (22.42.4)		17				1	5	
	Balance of year's underwriting (11-12-13+14-15+16-17)		19				(1)	(5)	
Adjustment for prior years' underwriting (accident year accounting)	Earned premium (21.11.5)		21						
	Claims incurred (22.13.4)		22				(137)	2107	
	Claims management costs (22.14.4)		23				(13)	(1)	
	Adjustment for discounting (22.51.4)		24						
	Other technical income or charges (particulars to be specified by way of supplementary note)		25						
	Net operating expenses (22.41.4)		26						
	Balance (21-22-23+24+25-26)		29				150	(2106)	
Balance from underwriting year accounting	Per Form 24 (24.69.99-99)		31						
	Other technical income or charges (particulars to be specified by way of supplementary note)		32						
	Total		39						
Balance of all years' underwriting (19+29+39)			49				149	(2111)	
Allocated investment income			51						
Transfer to non-technical account (49+51)			59				149	(2111)	



**General insurance business (accident year accounting) : Analysis of premiums**

Name of insurer **Legal & General Insurance Limited**

Global business

Financial year ended **31 December 2010**

**Total business**

		Company registration number	GL/UK/CM	day month year			Units	Category number	
		R21	423930	GL	31	12	2010	£000	001
<b>Premiums receivable during the financial year</b>		Gross premiums written		Reinsurers' share			Net of reinsurance		
		Earned in previous financial years 1		Earned in previous financial years 3		Earned in previous financial years 5			
In respect of risks incepted in previous financial years		11							
		Earned In this financial year 1	Unearned at end of this financial year 2	Earned In this financial year 3	Unearned at end of this financial year 4	Earned In this financial year 5	Unearned at end of this financial year 6		
In respect of risks incepted in previous financial years		12	5034	(10)		5044			
In respect of risks incepted in this financial year	For periods of less than 12 months	13	13356	9134	2197	182	11159	8952	
	For periods of 12 months	14	128421	125093	6720	7271	121701	117822	
	For periods of more than 12 months	15							
Premiums receivable (less rebates and refunds) in previous financial years not earned in those years and brought forward to the financial year		16	119878	230	8372		111506	230	
Total (12 to 16)		19	266689	134457	17279	7453	249410	127004	

**General insurance business (accident year accounting) : Analysis of premiums**

Name of insurer **Legal & General Insurance Limited**

Global business

Financial year ended **31 December 2010**

**Total primary (direct) and facultative business**

		Company registration number	GL/UK/CM	day month year			Units	Category number	
		R21	423930	GL	31	12	2010	£000	002
<b>Premiums receivable during the financial year</b>		Gross premiums written		Reinsurers' share			Net of reinsurance		
		Earned in previous financial years 1		Earned in previous financial years 3		Earned in previous financial years 5			
In respect of risks incepted in previous financial years		<b>11</b>							
		Earned In this financial year 1	Unearned at end of this financial year 2	Earned In this financial year 3	Unearned at end of this financial year 4	Earned In this financial year 5	Unearned at end of this financial year 6		
In respect of risks incepted in previous financial years		<b>12</b>	5034	(10)		5044			
In respect of risks incepted in this financial year	For periods of less than 12 months	<b>13</b>	13356	9134	2197	182	11159	8952	
	For periods of 12 months	<b>14</b>	128421	125093	6720	7271	121701	117822	
	For periods of more than 12 months	<b>15</b>							
Premiums receivable (less rebates and refunds) in previous financial years not earned in those years and brought forward to the financial year		<b>16</b>	119878	230	8372		111506	230	
Total (12 to 16)		<b>19</b>	266689	134457	17279	7453	249410	127004	

**General insurance business (accident year accounting) : Analysis of premiums**

Name of insurer **Legal & General Insurance Limited**

Global business

Financial year ended **31 December 2010**

**Total primary (direct) and facultative accident and health**

		Company registration number	GL/UK/CM	day month year			Units	Category number	
		R21	423930	GL	31	12	2010	£000	110
<b>Premiums receivable during the financial year</b>		Gross premiums written		Reinsurers' share			Net of reinsurance		
		Earned in previous financial years 1		Earned in previous financial years 3		Earned in previous financial years 5			
In respect of risks incepted in previous financial years		<b>11</b>							
		Earned In this financial year 1	Unearned at end of this financial year 2	Earned In this financial year 3	Unearned at end of this financial year 4	Earned In this financial year 5	Unearned at end of this financial year 6		
In respect of risks incepted in previous financial years		<b>12</b>							
In respect of risks incepted in this financial year	For periods of less than 12 months	<b>13</b>							
	For periods of 12 months	<b>14</b>	(1)			(1)			
	For periods of more than 12 months	<b>15</b>							
Premiums receivable (less rebates and refunds) in previous financial years not earned in those years and brought forward to the financial year		<b>16</b>							
Total (12 to 16)		<b>19</b>	(1)			(1)			

**General insurance business (accident year accounting) : Analysis of premiums**

Name of insurer **Legal & General Insurance Limited**

Global business

Financial year ended **31 December 2010**

**Total primary (direct) and facultative personal lines motor business**

		Company registration number	GL/UK/CM	day month year			Units	Category number	
		<b>R21</b>	<b>423930</b>	<b>GL</b>	<b>31</b>	<b>12</b>	<b>2010</b>	<b>£000</b>	<b>120</b>
<b>Premiums receivable during the financial year</b>		Gross premiums written		Reinsurers' share			Net of reinsurance		
		Earned in previous financial years <b>1</b>		Earned in previous financial years <b>3</b>		Earned in previous financial years <b>5</b>			
In respect of risks incepted in previous financial years		<b>11</b>							
		Earned In this financial year <b>1</b>	Unearned at end of this financial year <b>2</b>	Earned In this financial year <b>3</b>	Unearned at end of this financial year <b>4</b>	Earned In this financial year <b>5</b>	Unearned at end of this financial year <b>6</b>		
In respect of risks incepted in previous financial years		<b>12</b>							
In respect of risks incepted in this financial year	For periods of less than 12 months	<b>13</b>							
	For periods of 12 months	<b>14</b>							
	For periods of more than 12 months	<b>15</b>							
Premiums receivable (less rebates and refunds) in previous financial years not earned in those years and brought forward to the financial year		<b>16</b>							
Total (12 to 16)		<b>19</b>							

**General insurance business (accident year accounting) : Analysis of premiums**

Name of insurer **Legal & General Insurance Limited**

Global business

Financial year ended **31 December 2010**

**Primary (direct) and facultative household and domestic all risks**

		Company registration number	GL/UK/CM	day month year			Units	Category number	
		R21	423930	GL	31	12	2010	£000	160
<b>Premiums receivable during the financial year</b>		Gross premiums written		Reinsurers' share			Net of reinsurance		
		Earned in previous financial years <b>1</b>		Earned in previous financial years <b>3</b>		Earned in previous financial years <b>5</b>			
In respect of risks incepted in previous financial years		<b>11</b>							
		Earned In this financial year <b>1</b>	Unearned at end of this financial year <b>2</b>	Earned In this financial year <b>3</b>	Unearned at end of this financial year <b>4</b>	Earned In this financial year <b>5</b>	Unearned at end of this financial year <b>6</b>		
In respect of risks incepted in previous financial years		<b>12</b>	5059			5059			
In respect of risks incepted in this financial year	For periods of less than 12 months	<b>13</b>							
	For periods of 12 months	<b>14</b>	128422	125093	6720	7271	121702	117822	
	For periods of more than 12 months	<b>15</b>							
Premiums receivable (less rebates and refunds) in previous financial years not earned in those years and brought forward to the financial year		<b>16</b>	109776		8154		101622		
Total (12 to 16)		<b>19</b>	243257	125093	14874	7271	228383	117822	

**General insurance business (accident year accounting) : Analysis of premiums**

Name of insurer **Legal & General Insurance Limited**

Global business

Financial year ended **31 December 2010**

**Total primary (direct) and facultative personal lines financial loss business**

		Company registration number	GL/UK/CM	day month year			Units	Category number	
		R21	423930	GL	31	12	2010	£000	180
<b>Premiums receivable during the financial year</b>		Gross premiums written		Reinsurers' share			Net of reinsurance		
		Earned in previous financial years 1		Earned in previous financial years 3		Earned in previous financial years 5			
In respect of risks incepted in previous financial years		11							
		Earned In this financial year 1	Unearned at end of this financial year 2	Earned In this financial year 3	Unearned at end of this financial year 4	Earned In this financial year 5	Unearned at end of this financial year 6		
In respect of risks incepted in previous financial years		12	(25)	(10)		(15)			
In respect of risks incepted in this financial year	For periods of less than 12 months	13	13356	9134	2197	182	11159	8952	
	For periods of 12 months	14							
	For periods of more than 12 months	15							
Premiums receivable (less rebates and refunds) in previous financial years not earned in those years and brought forward to the financial year		16	10102	230	218		9884	230	
Total (12 to 16)		19	23433	9364	2405	182	21028	9182	

**General insurance business (accident year accounting) : Analysis of premiums**

Name of insurer **Legal & General Insurance Limited**

Global business

Financial year ended **31 December 2010**

**Total primary (direct) and facultative commercial motor business**

		Company registration number	GL/UK/CM	day month year			Units	Category number	
		<b>R21</b>	<b>423930</b>	<b>GL</b>	<b>31</b>	<b>12</b>	<b>2010</b>	<b>£000</b>	<b>220</b>
<b>Premiums receivable during the financial year</b>		Gross premiums written		Reinsurers' share			Net of reinsurance		
		Earned in previous financial years <b>1</b>		Earned in previous financial years <b>3</b>		Earned in previous financial years <b>5</b>			
In respect of risks incepted in previous financial years		<b>11</b>							
		Earned In this financial year <b>1</b>	Unearned at end of this financial year <b>2</b>	Earned In this financial year <b>3</b>	Unearned at end of this financial year <b>4</b>	Earned In this financial year <b>5</b>	Unearned at end of this financial year <b>6</b>		
In respect of risks incepted in previous financial years		<b>12</b>							
In respect of risks incepted in this financial year	For periods of less than 12 months	<b>13</b>							
	For periods of 12 months	<b>14</b>							
	For periods of more than 12 months	<b>15</b>							
Premiums receivable (less rebates and refunds) in previous financial years not earned in those years and brought forward to the financial year		<b>16</b>							
Total (12 to 16)		<b>19</b>							

## General insurance business (accident year accounting) : Analysis of claims, expenses and technical provisions

Name of company **Legal & General Insurance Limited**

Global business

Financial year ended **31 December 2010****Total business**

		Company registration number	GL/ UK/ CM	day month year			Units	Category number	
		<b>R22</b>	<b>423930</b>	<b>GL</b>	<b>31</b>	<b>12</b>	<b>2010</b>	<b>£000</b>	<b>001</b>
			Amount brought forward from previous financial year 1	Amount payable/receivable in this financial year 2	Amount carried forward to next financial year 3	Amount attributable to this financial year 4			
Claims incurred in respect of incidents occurring prior to this financial year	Gross amount	<b>11</b>	104119	68787	29443	(5889)			
	Reinsurers' share	<b>12</b>	2396	2639	375	618			
	Net (11-12)	<b>13</b>	101723	66148	29068	(6507)			
	Claims management costs	<b>14</b>	4693	4222	1230	759			
Claims incurred in respect of incidents occurring in this financial year	Gross amount	<b>15</b>		82585	89650	172235			
	Reinsurers' share	<b>16</b>		259	375	634			
	Net (15-16)	<b>17</b>		82326	89275	171601			
	Claims management costs	<b>18</b>		5441	5727	11168			
Provision for unexpired risks		<b>19</b>							
Net operating expenses	Commissions	<b>21</b>	27396	66198	30423	63171			
	Other acquisition expenses	<b>22</b>	11895	29973	14256	27612			
	Administrative expenses	<b>23</b>		13159		13159			
	Reinsurance commissions and profit participations	<b>24</b>	815	2216	727	2304			
	Total (21+22+23-24)	<b>29</b>	38476	107114	43952	101638			
Adjustments for discounting in respect of the items shown at lines 11 to 18 above	Gross amount	<b>31</b>							
	Reinsurers' share	<b>32</b>							
	Claims management costs	<b>33</b>							
	Total (31-32+33)	<b>39</b>							
Split of line 29	Prior financial years	<b>41</b>							
	This financial year	<b>42</b>	38476	107114	43952	101638			
Split of line 39	Incidents occurring prior to this financial year	<b>51</b>							
	Incidents occurring in this financial year	<b>52</b>							



## General insurance business (accident year accounting) : Analysis of claims, expenses and technical provisions

Name of company **Legal & General Insurance Limited**

Global business

Financial year ended **31 December 2010****Total primary (direct) and facultative business**

		Company registration number	GL/ UK/ CM	day month year			Units	Category number	
		R22	423930	GL	31	12	2010	£000	002
				Amount brought forward from previous financial year 1	Amount payable/receivable in this financial year 2		Amount carried forward to next financial year 3	Amount attributable to this financial year 4	
Claims incurred in respect of incidents occurring prior to this financial year	Gross amount	11	104119		68787		29443	(5889)	
	Reinsurers' share	12	2396		2639		375	618	
	Net (11-12)	13	101723		66148		29068	(6507)	
	Claims management costs	14	4693		4222		1230	759	
Claims incurred in respect of incidents occurring in this financial year	Gross amount	15			82585		89650	172235	
	Reinsurers' share	16			259		375	634	
	Net (15-16)	17			82326		89275	171601	
	Claims management costs	18			5441		5727	11168	
Provision for unexpired risks		19							
Net operating expenses	Commissions	21	27396		66198		30423	63171	
	Other acquisition expenses	22	11895		29973		14256	27612	
	Administrative expenses	23			13159			13159	
	Reinsurance commissions and profit participations	24	815		2216		727	2304	
	Total (21+22+23-24)	29	38476		107114		43952	101638	
Adjustments for discounting in respect of the items shown at lines 11 to 18 above	Gross amount	31							
	Reinsurers' share	32							
	Claims management costs	33							
	Total (31-32+33)	39							
Split of line 29	Prior financial years	41							
	This financial year	42	38476		107114		43952	101638	
Split of line 39	Incidents occurring prior to this financial year	51							
	Incidents occurring in this financial year	52							

## General insurance business (accident year accounting) : Analysis of claims, expenses and technical provisions

Name of company **Legal & General Insurance Limited**

Global business

Financial year ended **31 December 2010****Total primary (direct) and facultative accident and health**

		Company registration number	GL/ UK/ CM	day month year			Units	Category number	
		<b>R22</b>	<b>423930</b>	<b>GL</b>	<b>31</b>	<b>12</b>	<b>2010</b>	<b>£000</b>	<b>110</b>
			Amount brought forward from previous financial year 1	Amount payable/receivable in this financial year 2			Amount carried forward to next financial year 3	Amount attributable to this financial year 4	
Claims incurred in respect of incidents occurring prior to this financial year	Gross amount	<b>11</b>	15	1				(14)	
	Reinsurers' share	<b>12</b>							
	Net (11-12)	<b>13</b>	15	1				(14)	
	Claims management costs	<b>14</b>	1				2	1	
Claims incurred in respect of incidents occurring in this financial year	Gross amount	<b>15</b>							
	Reinsurers' share	<b>16</b>							
	Net (15-16)	<b>17</b>							
	Claims management costs	<b>18</b>		2				2	
Provision for unexpired risks		<b>19</b>							
Net operating expenses	Commissions	<b>21</b>							
	Other acquisition expenses	<b>22</b>							
	Administrative expenses	<b>23</b>							
	Reinsurance commissions and profit participations	<b>24</b>							
	Total (21+22+23-24)	<b>29</b>							
Adjustments for discounting in respect of the items shown at lines 11 to 18 above	Gross amount	<b>31</b>							
	Reinsurers' share	<b>32</b>							
	Claims management costs	<b>33</b>							
	Total (31-32+33)	<b>39</b>							
Split of line 29	Prior financial years	<b>41</b>							
	This financial year	<b>42</b>							
Split of line 39	Incidents occurring prior to this financial year	<b>51</b>							
	Incidents occurring in this financial year	<b>52</b>							

## General insurance business (accident year accounting) : Analysis of claims, expenses and technical provisions

Name of company **Legal & General Insurance Limited**

Global business

Financial year ended **31 December 2010****Total primary (direct) and facultative personal lines motor business**

		Company registration number	GL/ UK/ CM	day month year			Units	Category number	
		<b>R22</b>	<b>423930</b>	<b>GL</b>	<b>31</b>	<b>12</b>	<b>2010</b>	<b>£000</b>	<b>120</b>
			Amount brought forward from previous financial year 1	Amount payable/receivable in this financial year 2		Amount carried forward to next financial year 3		Amount attributable to this financial year 4	
Claims incurred in respect of incidents occurring prior to this financial year	Gross amount	<b>11</b>	5479	2266		3818		605	
	Reinsurers' share	<b>12</b>		1		(1)			
	Net (11-12)	<b>13</b>	5479	2265		3819		605	
	Claims management costs	<b>14</b>	55	5		38		(12)	
Claims incurred in respect of incidents occurring in this financial year	Gross amount	<b>15</b>							
	Reinsurers' share	<b>16</b>							
	Net (15-16)	<b>17</b>							
	Claims management costs	<b>18</b>				1		1	
Provision for unexpired risks		<b>19</b>							
Net operating expenses	Commissions	<b>21</b>							
	Other acquisition expenses	<b>22</b>							
	Administrative expenses	<b>23</b>		21				21	
	Reinsurance commissions and profit participations	<b>24</b>							
	Total (21+22+23-24)	<b>29</b>		21				21	
Adjustments for discounting in respect of the items shown at lines 11 to 18 above	Gross amount	<b>31</b>							
	Reinsurers' share	<b>32</b>							
	Claims management costs	<b>33</b>							
	Total (31-32+33)	<b>39</b>							
Split of line 29	Prior financial years	<b>41</b>							
	This financial year	<b>42</b>		21				21	
Split of line 39	Incidents occurring prior to this financial year	<b>51</b>							
	Incidents occurring in this financial year	<b>52</b>							

## General insurance business (accident year accounting) : Analysis of claims, expenses and technical provisions

Name of company **Legal & General Insurance Limited**

Global business

Financial year ended **31 December 2010****Primary (direct) and facultative household and domestic all risks**

		Company registration number	GL/ UK/ CM	day month year			Units	Category number	
		<b>R22</b>	<b>423930</b>	<b>GL</b>	<b>31</b>	<b>12</b>	<b>2010</b>	<b>£000</b>	<b>160</b>
			Amount brought forward from previous financial year 1	Amount payable/receivable in this financial year 2		Amount carried forward to next financial year 3		Amount attributable to this financial year 4	
Claims incurred in respect of incidents occurring prior to this financial year	Gross amount	<b>11</b>	86026	56287		24706		(5033)	
	Reinsurers' share	<b>12</b>	377	324		304		251	
	Net (11-12)	<b>13</b>	85649	55963		24402		(5284)	
	Claims management costs	<b>14</b>	4367	3727		1172		532	
Claims incurred in respect of incidents occurring in this financial year	Gross amount	<b>15</b>		79158		84463		163621	
	Reinsurers' share	<b>16</b>							
	Net (15-16)	<b>17</b>		79158		84463		163621	
	Claims management costs	<b>18</b>		5241		5623		10864	
Provision for unexpired risks		<b>19</b>							
Net operating expenses	Commissions	<b>21</b>	25156	60816		28464		57508	
	Other acquisition expenses	<b>22</b>	11240	26910		13016		25134	
	Administrative expenses	<b>23</b>		11128				11128	
	Reinsurance commissions and profit participations	<b>24</b>	815	1375		727		1463	
	Total (21+22+23-24)	<b>29</b>	35581	97479		40753		92307	
Adjustments for discounting in respect of the items shown at lines 11 to 18 above	Gross amount	<b>31</b>							
	Reinsurers' share	<b>32</b>							
	Claims management costs	<b>33</b>							
	Total (31-32+33)	<b>39</b>							
Split of line 29	Prior financial years	<b>41</b>							
	This financial year	<b>42</b>	35581	97479		40753		92307	
Split of line 39	Incidents occurring prior to this financial year	<b>51</b>							
	Incidents occurring in this financial year	<b>52</b>							

## General insurance business (accident year accounting) : Analysis of claims, expenses and technical provisions

Name of company **Legal & General Insurance Limited**

Global business

Financial year ended **31 December 2010****Total primary (direct) and facultative personal lines financial loss business**

		Company registration number	GL/ UK/ CM	day month year			Units	Category number	
		<b>R22</b>	<b>423930</b>	<b>GL</b>	<b>31</b>	<b>12</b>	<b>2010</b>	<b>£000</b>	<b>180</b>
			Amount brought forward from previous financial year 1	Amount payable/receivable in this financial year 2		Amount carried forward to next financial year 3		Amount attributable to this financial year 4	
Claims incurred in respect of incidents occurring prior to this financial year	Gross amount	<b>11</b>	11017	8426		912		(1679)	
	Reinsurers' share	<b>12</b>	1082	1008		72		(2)	
	Net (11-12)	<b>13</b>	9935	7418		840		(1677)	
	Claims management costs	<b>14</b>	254	487		18		251	
Claims incurred in respect of incidents occurring in this financial year	Gross amount	<b>15</b>		3427		5187		8614	
	Reinsurers' share	<b>16</b>		259		375		634	
	Net (15-16)	<b>17</b>		3168		4812		7980	
	Claims management costs	<b>18</b>		198		103		301	
Provision for unexpired risks		<b>19</b>							
Net operating expenses	Commissions	<b>21</b>	2240	5382		1959		5663	
	Other acquisition expenses	<b>22</b>	655	3063		1240		2478	
	Administrative expenses	<b>23</b>		2009				2009	
	Reinsurance commissions and profit participations	<b>24</b>		841				841	
	Total (21+22+23-24)	<b>29</b>	2895	9613		3199		9309	
Adjustments for discounting in respect of the items shown at lines 11 to 18 above	Gross amount	<b>31</b>							
	Reinsurers' share	<b>32</b>							
	Claims management costs	<b>33</b>							
	Total (31-32+33)	<b>39</b>							
Split of line 29	Prior financial years	<b>41</b>							
	This financial year	<b>42</b>	2895	9613		3199		9309	
Split of line 39	Incidents occurring prior to this financial year	<b>51</b>							
	Incidents occurring in this financial year	<b>52</b>							

## General insurance business (accident year accounting) : Analysis of claims, expenses and technical provisions

Name of company **Legal & General Insurance Limited**

Global business

Financial year ended **31 December 2010****Total primary (direct) and facultative commercial motor business**

		Company registration number	GL/ UK/ CM	day month year			Units	Category number	
		<b>R22</b>	<b>423930</b>	<b>GL</b>	<b>31</b>	<b>12</b>	<b>2010</b>	<b>£000</b>	<b>220</b>
			Amount brought forward from previous financial year 1	Amount payable/receivable in this financial year 2		Amount carried forward to next financial year 3		Amount attributable to this financial year 4	
Claims incurred in respect of incidents occurring prior to this financial year	Gross amount	<b>11</b>	1582	1807		7		232	
	Reinsurers' share	<b>12</b>	937	1306				369	
	Net (11-12)	<b>13</b>	645	501		7		(137)	
	Claims management costs	<b>14</b>	16	3				(13)	
Claims incurred in respect of incidents occurring in this financial year	Gross amount	<b>15</b>							
	Reinsurers' share	<b>16</b>							
	Net (15-16)	<b>17</b>							
	Claims management costs	<b>18</b>							
Provision for unexpired risks		<b>19</b>							
Net operating expenses	Commissions	<b>21</b>							
	Other acquisition expenses	<b>22</b>							
	Administrative expenses	<b>23</b>		1				1	
	Reinsurance commissions and profit participations	<b>24</b>							
	Total (21+22+23-24)	<b>29</b>		1				1	
Adjustments for discounting in respect of the items shown at lines 11 to 18 above	Gross amount	<b>31</b>							
	Reinsurers' share	<b>32</b>							
	Claims management costs	<b>33</b>							
	Total (31-32+33)	<b>39</b>							
Split of line 29	Prior financial years	<b>41</b>							
	This financial year	<b>42</b>		1				1	
Split of line 39	Incidents occurring prior to this financial year	<b>51</b>							
	Incidents occurring in this financial year	<b>52</b>							

## General insurance business (accident year accounting) : Analysis of net claims and premiums

Name of insurer **Legal & General Insurance Limited**

Global business

Financial year ended **31 December 2010****Total business**

		Company registration number		GL/UK/CM		day month year			Units	Category number				
		<b>R23</b>	<b>423930</b>	<b>GL</b>	<b>31</b>	<b>12</b>	<b>2010</b>	<b>£000</b>	<b>001</b>					
Accident year ended		Claims paid (net) during the accident year	Claims outstanding (net) as at end of the accident year	Total claims paid (net) since the end of the accident year, but prior to this financial year	Claims paid (net) during this financial year	Claims outstanding carried forward		Claims outstanding brought forward		Claims incurred (latest year) or developed (other years) during this financial year (4+5+6-7-8)	Deduction for discounting from claims outstanding carried forward (net)	Earned premiums (net)	Deterioration/ (surplus) of original claims reserve %	Claims ratio %
Month	Year					Reported (net)	Incurred but not reported (net)	Reported (net)	Incurred but not reported (net)					
		<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>9</b>	<b>10</b>	<b>11</b>	<b>12</b>	<b>13</b>
12	2010	<b>11</b>			82326	67701	21575			171602		249410		68.8
12	2009	<b>12</b>	89272	71837	53434	10482	1857	55783	16054	(6064)		265991	(8.4)	58.3
12	2008	<b>13</b>	119307	72693	58650	5576	5017	1152	9330	2709	(294)	277721	(3.2)	68.3
12	2007	<b>14</b>	173524	107652	86035	1863	1928	1317	3170	861	1077	294728	(15.3)	89.8
12	2006	<b>15</b>	119119	82136	61677	1293	2281	717	4366	1660	(1735)	304634	(19.7)	60.8
12	2005	<b>16</b>	114890	90132	68489	1897	2312	513	2612	968	1142	305415	(18.8)	61.6
12	2004	<b>17</b>	90690	71260	65229	733	306	45	944	518	(378)	285992	(6.9)	54.9
12	2003	<b>18</b>	76561	65562	62916	580	671	6	949	203	105	242710	(2.1)	58.0
12	2002	<b>19</b>	76070	57919	51602	1	55	78	141	101	(108)	215681	(10.7)	59.3
12	2001	<b>20</b>	64366	57670	47294	600	23	41	589	36	39	193134	(16.8)	58.2
Prior accident years		<b>21</b>				171	151	115	714	14	(291)			
Reconciliation		<b>22</b>												
Total (11 to 22)		<b>29</b>				148474	90927	27416	78598	23124	165095			

## General insurance business (accident year accounting) : Analysis of net claims and premiums

Name of insurer **Legal & General Insurance Limited**

Global business

Financial year ended **31 December 2010**

## Total primary (direct) and facultative business

		Company registration number		GL/UK/CM		day month year			Units	Category number				
		R23	423930	GL	31	12	2010	£000	002					
Accident year ended		Claims paid (net) during the accident year	Claims outstanding (net) as at end of the accident year	Total claims paid (net) since the end of the accident year, but prior to this financial year	Claims paid (net) during this financial year	Claims outstanding carried forward		Claims outstanding brought forward		Claims incurred (latest year) or developed (other years) during this financial year (4+5+6-7-8)	Deduction for discounting from claims outstanding carried forward (net)	Earned premiums (net)	Deterioration/ (surplus) of original claims reserve %	Claims ratio %
Month	Year					Reported (net)	Incurred but not reported (net)	Reported (net)	Incurred but not reported (net)					
		1	2	3	4	5	6	7	8	9	10	11	12	13
12	2010	11			82326	67701	21575			171602		249410		68.8
12	2009	12	89272	71837	53434	10482	1857	55783	16054	(6064)		265991	(8.4)	58.3
12	2008	13	119307	72693	58650	5576	5017	1152	9330	2709	(294)	277721	(3.2)	68.3
12	2007	14	173524	107652	86035	1863	1928	1317	3170	861	1077	294728	(15.3)	89.8
12	2006	15	119119	82136	61677	1293	2281	717	4366	1660	(1735)	304634	(19.7)	60.8
12	2005	16	114890	90132	68489	1897	2312	513	2612	968	1142	305415	(18.8)	61.6
12	2004	17	90690	71260	65229	733	306	45	944	518	(378)	285992	(6.9)	54.9
12	2003	18	76561	65562	62916	580	671	6	949	203	105	242710	(2.1)	58.0
12	2002	19	76070	57919	51602	1	55	78	141	101	(108)	215681	(10.7)	59.3
12	2001	20	64366	57670	47294	600	23	41	589	36	39	193134	(16.8)	58.2
Prior accident years		21			171	151	115	714	14	(291)				
Reconciliation		22												
Total (11 to 22)		29			148474	90927	27416	78598	23124	165095				



## General insurance business (accident year accounting) : Analysis of net claims and premiums

Name of insurer **Legal & General Insurance Limited**

Global business

Financial year ended **31 December 2010****Total primary (direct) and facultative accident and health**

		Company registration number		GL/UK/CM		day month year			Units	Category number						
		<b>R23</b>	<b>423930</b>	<b>GL</b>	<b>31</b>	<b>12</b>	<b>2010</b>	<b>£000</b>	<b>110</b>							
Accident year ended	Month	Year	Claims paid (net) during the accident year	Claims outstanding (net) as at end of the accident year	Total claims paid (net) since the end of the accident year, but prior to this financial year	Claims paid (net) during this financial year		Claims outstanding carried forward		Claims outstanding brought forward		Claims incurred (latest year) or developed (other years) during this financial year (4+5+6-7-8)	Deduction for discounting from claims outstanding carried forward (net)	Earned premiums (net)	Deterioration/ (surplus) of original claims reserve %	Claims ratio %
						Reported (net)	Incurred but not reported (net)	Reported (net)	Incurred but not reported (net)							
			<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>9</b>	<b>10</b>	<b>11</b>	<b>12</b>	<b>13</b>	
	12	2010	<b>11</b>											(1)		
	12	2009	<b>12</b>											(2)		
	12	2008	<b>13</b>	4778	48	44	1			14	1	(14)	4594	(6.3)	105.0	
	12	2007	<b>14</b>	30606	4083	3193							40639	(21.8)	83.2	
	12	2006	<b>15</b>	15085	9050	2748							46799	(69.6)	38.1	
	12	2005	<b>16</b>	14390	17218	14834							44284	(13.8)	66.0	
	12	2004	<b>17</b>	10276	10402	14242							36679	36.9	66.8	
	12	2003	<b>18</b>	8546	10175	11556							31809	13.6	63.2	
	12	2002	<b>19</b>	7437	9577	8625							28419	(9.9)	56.5	
	12	2001	<b>20</b>	6543	10451	7274							24185	(30.4)	57.1	
Prior accident years			<b>21</b>													
Reconciliation			<b>22</b>													
Total (11 to 22)			<b>29</b>			1			14	1	(14)					

## General insurance business (accident year accounting) : Analysis of net claims and premiums

Name of insurer **Legal & General Insurance Limited**

Global business

Financial year ended **31 December 2010****Total primary (direct) and facultative personal lines motor business**

		Company registration number		GL/UK/CM		day month year			Units	Category number					
		R23	423930	GL	31	12	2010	£000	120						
Accident year ended	Month	Year	Claims paid (net) during the accident year	Claims outstanding (net) as at end of the accident year	Total claims paid (net) since the end of the accident year, but prior to this financial year	Claims paid (net) during this financial year	Claims outstanding carried forward		Claims outstanding brought forward		Claims incurred (latest year) or developed (other years) during this financial year (4+5+6-7-8)	Deduction for discounting from claims outstanding carried forward (net)	Earned premiums (net)	Deterioration/ (surplus) of original claims reserve %	Claims ratio %
							Reported (net)	Incurred but not reported (net)	Reported (net)	Incurred but not reported (net)					
		1	2	3	4	5	6	7	8	9	10	11	12	13	
12	2010	11													
12	2009	12													
12	2008	13													
12	2007	14	1815	1453	604	41	(60)	129	566	199	(655)	2997	(50.9)	84.4	
12	2006	15	8507	10243	6068	332	201	359	1434	357	(899)	20275	(32.1)	76.3	
12	2005	16	12808	17067	10619	1540	2357	240	1591	237	2309	34389	(13.5)	80.2	
12	2004	17	11555	12572	11593	90	113	38	264	40	(63)	32589	(5.9)	71.8	
12	2003	18	10411	11279	12034	244	395	16	257	62	336	29616	12.5	78.0	
12	2002	19	8503	10531	9084	15	16	10	97	66	(122)	26248	(13.4)	67.2	
12	2001	20	10026	10202	9378		(2)	2	10	53	(63)	28160	(8.1)	68.9	
Prior accident years		21				3	2	3	248	(2)	(238)				
Reconciliation		22													
Total (11 to 22)		29				2265	3022	797	4467	1012	605				

## General insurance business (accident year accounting) : Analysis of net claims and premiums

Name of insurer **Legal & General Insurance Limited**

Global business

Financial year ended **31 December 2010**

## Primary (direct) and facultative household and domestic all risks

		Company registration number		GL/UK/CM		day month year			Units	Category number						
		<b>R23</b>	<b>423930</b>	<b>GL</b>	<b>31</b>	<b>12</b>	<b>2010</b>	<b>£000</b>	<b>160</b>							
Accident year ended	Month	Year	Claims paid (net) during the accident year	Claims outstanding (net) as at end of the accident year	Total claims paid (net) since the end of the accident year, but prior to this financial year	Claims paid (net) during this financial year		Claims outstanding carried forward		Claims outstanding brought forward		Claims incurred (latest year) or developed (other years) during this financial year (4+5+6-7-8)	Deduction for discounting from claims outstanding carried forward (net)	Earned premiums (net)	Deterioration/ (surplus) of original claims reserve %	Claims ratio %
						Reported (net)	Incurred but not reported (net)	Reported (net)	Incurred but not reported (net)							
		<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>9</b>	<b>10</b>	<b>11</b>	<b>12</b>	<b>13</b>		
12	2010	<b>11</b>				79158	63716	20748			163622		228383		71.6	
12	2009	<b>12</b>	83267	62974		46581	10073	1696	48367	14607	(4624)		241030	(7.3)	58.8	
12	2008	<b>13</b>	112170	64609	52110	5023	5002	1055	8615	2530	(65)		248446	(2.2)	70.6	
12	2007	<b>14</b>	139874	97697	79940	1812	1981	1185	2580	652	1746		232951	(13.1)	96.5	
12	2006	<b>15</b>	94526	60812	51413	962	2071	358	2915	1303	(827)		223682	(9.9)	66.8	
12	2005	<b>16</b>	86890	53009	41743	356	(51)	273	1018	731	(1171)		212929	(20.2)	60.7	
12	2004	<b>17</b>	68205	46875	37785	139	189	5	239	271	(177)		202647	(18.7)	52.5	
12	2003	<b>18</b>	57027	42517	38257	336	265	(10)	681	141	(231)		164095	(8.6)	58.4	
12	2002	<b>19</b>	58614	35818	32964	(14)	34	68	39	35	14		143379	(7.7)	63.9	
12	2001	<b>20</b>	45627	34178	29427	600	3	39	557	(17)	102		122497	(12.0)	61.8	
Prior accident years		<b>21</b>				168	54	112	369	16	(51)					
Reconciliation		<b>22</b>														
Total (11 to 22)		<b>29</b>				135121	83337	25529	65380	20269	158338					

**General insurance business (accident year accounting) : Analysis of net claims and premiums**

 Name of insurer **Legal & General Insurance Limited**

Global business

 Financial year ended **31 December 2010**
**Total primary (direct) and facultative personal lines financial loss business**

		Company registration number		GL/UK/CM		day month year			Units	Category number				
		R23		423930		GL			31 12 2010	£000	180			
Accident year ended		Claims paid (net) during the accident year	Claims outstanding (net) as at end of the accident year	Total claims paid (net) since the end of the accident year, but prior to this financial year	Claims paid (net) during this financial year	Claims outstanding carried forward		Claims outstanding brought forward		Claims incurred (latest year) or developed (other years) during this financial year (4+5+6-7-8)	Deduction for discounting from claims outstanding carried forward (net)	Earned premiums (net)	Deterioration/ (surplus) of original claims reserve %	Claims ratio %
Month	Year					Reported (net)	Incurred but not reported (net)	Reported (net)	Incurred but not reported (net)					
		1	2	3	4	5	6	7	8	9	10	11	12	13
12	2010	11			3168	3985	827			7980		21028		37.9
12	2009	12	6005	8863	6853	409	161	7416	1447	(1440)		24963	(16.2)	53.8
12	2008	13	2359	8036	6496	552	97	701	178	(215)		24681	(10.9)	38.6
12	2007	14	1018	4369	2285	11	7	25	10	(14)		17958	(47.2)	18.5
12	2006	15	800	1853	1394		9	19		(10)		13334	(24.3)	16.5
12	2005	16	615	2638	1217	1	6	3		4		13527	(53.6)	13.6
12	2004	17	484	1352	1033	1				1		12732	(23.5)	11.9
12	2003	18	354	1539	999		11	11				14853	(34.4)	9.2
12	2002	19	1288	1567	805		5	5				15335	(48.3)	13.7
12	2001	20	1804	2379	1018		22	22				17045	(56.3)	16.7
Prior accident years		21					95	97		(2)				
Reconciliation		22												
Total (11 to 22)		29				10586	4564	1088	8299	1635	6304			

## General insurance business (accident year accounting) : Analysis of net claims and premiums

Name of insurer **Legal & General Insurance Limited**

Global business

Financial year ended **31 December 2010****Total primary (direct) and facultative commercial motor business**

		Company registration number		GL/UK/CM		day month year			Units	Category number				
		<b>R23</b>	<b>423930</b>	<b>GL</b>	<b>31</b>	<b>12</b>	<b>2010</b>	<b>£000</b>	<b>220</b>					
Accident year ended		Claims paid (net) during the accident year	Claims outstanding (net) as at end of the accident year	Total claims paid (net) since the end of the accident year, but prior to this financial year	Claims paid (net) during this financial year	Claims outstanding carried forward		Claims outstanding brought forward		Claims incurred (latest year) or developed (other years) during this financial year (4+5+6-7-8)	Deduction for discounting from claims outstanding carried forward (net)	Earned premiums (net)	Deterioration/ (surplus) of original claims reserve %	Claims ratio %
Month	Year					Reported (net)	Incurred but not reported (net)	Reported (net)	Incurred but not reported (net)					
		<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>9</b>	<b>10</b>	<b>11</b>	<b>12</b>	<b>13</b>
12	2010	<b>11</b>												
12	2009	<b>12</b>												
12	2008	<b>13</b>												
12	2007	<b>14</b>	211	50	13	(1)		(1)				183	(76.0)	121.9
12	2006	<b>15</b>	201	178	54	(1)		(2)		1		544	(70.2)	46.7
12	2005	<b>16</b>	187	200	76							286	(62.0)	92.0
12	2004	<b>17</b>	170	59	576	503	4	2	441	207	(139)	1345	1739.0	93.3
12	2003	<b>18</b>	223	52	70							2337	34.6	12.5
12	2002	<b>19</b>	228	426	124							2300	(70.9)	15.3
12	2001	<b>20</b>	366	460	197							1247	(57.2)	45.1
Prior accident years		<b>21</b>												
Reconciliation		<b>22</b>												
Total (11 to 22)		<b>29</b>				501	4	2	438	207	(138)			

**General insurance business (accident year accounting) : Analysis of gross claims and premiums by risk category for direct insurance and facultative reinsurance**

Name of insurer **Legal & General Insurance Limited**

Currency **British Pound**

Global business

Reporting Territory **United Kingdom other than home foreign**

Financial year ended **31 December 2010**

Company registration number **GL/UK/CM** day month year **31 12 2010** Monetary units **000** Category number **111** Currency code **GBP** Reporting territory code **AA**

**Medical insurance**

<b>R31</b>	<b>423930</b>	<b>GL</b>	<b>31</b>	<b>12</b>	<b>2010</b>	<b>000</b>	<b>111</b>	<b>GBP</b>	<b>AA</b>
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Accident year ended			Number of claims		Gross claims paid		Gross claims outstanding carried forward		Gross claims outstanding brought forward		Claims incurred (latest year) or developed (other years) during this financial year (4+5+6-7-8)	Gross earned premiums	Claims ratio %
Month	Year		Closed at some cost during this or previous financial years	Reported claims outstanding	In previous financial years	In this financial year	Reported	Incurred but not reported	Reported	Incurred but not reported			
			1	2	3	4	5	6	7	8	9	10	11
12	2010	<b>11</b>										(1)	
12	2009	<b>12</b>										(2)	
12	2008	<b>13</b>	1502	5	4822	2			14	1	(13)	4594	105.0
12	2007	<b>14</b>	11354		33799							40639	83.2
12	2006	<b>15</b>	14231		18077							46803	38.6
12	2005	<b>16</b>	14681		29675							45587	65.1
12	2004	<b>17</b>	14019		26760							39426	67.9
12	2003	<b>18</b>	12417		21357							34237	62.4
12	2002	<b>19</b>	11367		16851							29842	56.5
12	2001	<b>20</b>	7236		13993							24783	56.5
Prior accident years		<b>21</b>											
Total (11 to 21)		<b>29</b>		5		2			14	1	(13)		
Line 29 expressed in sterling		<b>30</b>				2			14	1	(13)		

**General insurance business (accident year accounting) : Analysis of gross claims and premiums by risk category for direct insurance and facultative reinsurance**

Name of insurer **Legal & General Insurance Limited**

Currency **British Pound**

Global business

Reporting Territory **United Kingdom other than home foreign**

Financial year ended **31 December 2010**

**Primary (direct) and facultative household and domestic all risks**

Company registration number	GL/UK/CM	day month year	Monetary units	Category number	Currency code	Reporting territory code	
<b>R31</b>	<b>423930</b>	<b>GL</b>	<b>31 12 2010</b>	<b>000</b>	<b>160</b>	<b>GBP</b>	<b>AA</b>

Accident year ended			Number of claims		Gross claims paid		Gross claims outstanding carried forward		Gross claims outstanding brought forward		Claims incurred (latest year) or developed (other years) during this financial year (4+5+6-7-8)	Gross earned premiums	Claims ratio %
Month	Year		Closed at some cost during this or previous financial years	Reported claims outstanding	In previous financial years	In this financial year	Reported	Incurred but not reported	Reported	Incurred but not reported			
			1	2	3	4	5	6	7	8	9	10	11
12	2010	<b>11</b>	35212	22716		79158	63716	20748			163622	243257	67.3
12	2009	<b>12</b>	66399	3772	83267	46581	10073	1696	48367	14607	(4624)	256586	55.2
12	2008	<b>13</b>	94804	1152	164280	5023	5002	1055	8615	2530	(65)	264170	66.4
12	2007	<b>14</b>	107689	403	226288	2136	2283	1187	2952	657	1997	245748	94.4
12	2006	<b>15</b>	93049	208	145939	962	2071	358	2915	1303	(827)	235298	63.5
12	2005	<b>16</b>	90528	116	128632	356	(51)	273	1018	731	(1171)	224058	57.7
12	2004	<b>17</b>	85005	47	105990	139	189	5	239	271	(177)	214129	49.7
12	2003	<b>18</b>	79820	80	95284	336	265	(10)	681	141	(231)	174503	54.9
12	2002	<b>19</b>	89061	24	91578	(14)	34	68	39	35	14	150781	60.8
12	2001	<b>20</b>	71957	22	75054	600	3	39	557	(17)	102	128611	58.9
Prior accident years		<b>21</b>		22		167	54	112	369	16	(52)		
Total (11 to 21)		<b>29</b>		28562		135444	83639	25531	65752	20274	158588		
Line 29 expressed in sterling		<b>30</b>				135444	83639	25531	65752	20274	158588		

**General insurance business (accident year accounting) : Analysis of gross claims and premiums by risk category for direct insurance and facultative reinsurance**

Name of insurer **Legal & General Insurance Limited**

Currency **British Pound**

Global business

Reporting Territory **United Kingdom other than home foreign**

Financial year ended **31 December 2010**

Company registration number **R31** GL/UK/CM **423930** day month year **31 12 2010** Monetary units **000** Category number **182** Currency code **GBP** Reporting territory code **AA**

**Creditor**

Accident year ended			Number of claims		Gross claims paid		Gross claims outstanding carried forward		Gross claims outstanding brought forward		Claims incurred (latest year) or developed (other years) during this financial year (4+5+6-7-8)	Gross earned premiums	Claims ratio %
Month	Year		Closed at some cost during this or previous financial years	Reported claims outstanding	In previous financial years	In this financial year	Reported	Incurred but not reported	Reported	Incurred but not reported			
			1	2	3	4	5	6	7	8	9	10	11
12	2010	<b>11</b>	1001	1571		3310	4242	945			8497	23178	36.7
12	2009	<b>12</b>	4410	284	6325	7714	436	108	8283	1505	(1530)	27431	53.2
12	2008	<b>13</b>	3888	17	9580	681	18	25	751	123	(150)	27639	37.3
12	2007	<b>14</b>	2932	1	5089	21	5	3	33	13	(17)	27162	18.8
12	2006	<b>15</b>	3141		4495	1			10		(9)	23983	18.7
12	2005	<b>16</b>	2587	1	4237	5	6		3		8	22997	18.5
12	2004	<b>17</b>	2284		3522	5					5	21979	16.0
12	2003	<b>18</b>	2437	1	4078							18492	22.1
12	2002	<b>19</b>	2156	1	2986							12837	23.3
12	2001	<b>20</b>	1432		1308				(1)		1	8052	16.2
Prior accident years		<b>21</b>					(2)		(2)				
Total (11 to 21)		<b>29</b>		1876		11737	4705	1081	9077	1641	6805		
Line 29 expressed in sterling		<b>30</b>				11737	4705	1081	9077	1641	6805		



**General insurance business (accident year accounting) : Analysis of gross claims and premiums by risk category for direct insurance and facultative reinsurance**

Name of insurer **Legal & General Insurance Limited**

Currency **British Pound**

Global business

Reporting Territory **United Kingdom other than home foreign**

Financial year ended **31 December 2010**

Company registration number **R31**    GL/UK/CM **GL**    day month year **31 12 2010**    Monetary units **000**    Category number **185**    Currency code **GBP**    Reporting territory code **AA**

**Mortgage indemnity**

Accident year ended			Number of claims		Gross claims paid		Gross claims outstanding carried forward		Gross claims outstanding brought forward		Claims incurred (latest year) or developed (other years) during this financial year  (4+5+6-7-8)	Gross earned premiums	Claims ratio %
Month	Year		Closed at some cost during this or previous financial years	Reported claims outstanding	In previous financial years	In this financial year	Reported	Incurred but not reported	Reported	Incurred but not reported			
			1	2	3	4	5	6	7	8	9	10	11
12	2010	<b>11</b>		1		117					117	255	45.9
12	2009	<b>12</b>		1			16	75		75	16	446	20.4
12	2008	<b>13</b>	7		16			75		75		723	12.6
12	2007	<b>14</b>	4	1	12		2		2			1082	1.3
12	2006	<b>15</b>	5	2	26		9		9			1581	2.2
12	2005	<b>16</b>	5	1	8							2491	0.3
12	2004	<b>17</b>	15		51							3406	1.5
12	2003	<b>18</b>	61	10	196		11		11			6196	3.3
12	2002	<b>19</b>	226	4	951		5		5			7694	12.4
12	2001	<b>20</b>	522	7	2090		22		22			9599	22.0
Prior accident years		<b>21</b>		74			100		100				
Total (11 to 21)		<b>29</b>		101		117	165	150	149	150	133		
Line 29 expressed in sterling		<b>30</b>				117	165	150	149	150	133		

**General insurance business (accident year accounting) : Analysis of gross claims and premiums for motor vehicle direct insurance and facultative reinsurance**

Name of insurer **Legal & General Insurance Limited**

Currency **British Pound**

Global business

Reporting Territory **United Kingdom other than home foreign**

Financial year ended **31 December 2010**

Company registration number **R32** GL/UK/CM **423930** day month year **GL 31 12 2010** Monetary units **000** Category number **121** Currency code **GBP** Reporting territory code **AA**

**Private motor - comprehensive**

Accident year ended		Month	Year	Number of claims		Gross claims paid		Gross claims outstanding carried forward		Gross claims outstanding brought forward		Claims incurred (latest year) or developed (other years) during this financial year (4+5+6-7-8) 9	Gross earned premiums 10	Claims ratio % 11	Vehicle years (000's) 12	Claims frequency % 13
Month	Year			Closed at some cost during this or previous years	Reported claims outstanding	In previous financial years	In this financial year	Reported	Incurred but not reported	Reported	Incurred but not reported					
				1	2	3	4	5	6	7	8					
12	2010		<b>11</b>													
12	2009		<b>12</b>													
12	2008		<b>13</b>													
12	2007		<b>14</b>	1660	19	2367	40	(59)	126	553	194	(640)	3547	69.7	6	28.0
12	2006		<b>15</b>	10371	56	14359	325	196	351	1401	348	(877)	21064	72.3	77	13.5
12	2005		<b>16</b>	16869	33	22992	1506	2302	234	1554	231	2257	34877	77.5	126	13.4
12	2004		<b>17</b>	15593	14	22611	88	110	37	258	39	(62)	32902	69.4	124	12.6
12	2003		<b>18</b>	12516	8	19916	238	386	16	252	60	328	29067	70.7	103	12.2
12	2002		<b>19</b>	11265	5	15626	15	15	10	95	65	(120)	25936	60.4	89	12.7
12	2001		<b>20</b>	13131	2	18376		(2)	2	9	52	(61)	27778	66.2	103	12.8
Prior accident years			<b>21</b>		14		3	2	3	242	(2)	(232)				
Total (11 to 21)			<b>29</b>		151		2215	2950	779	4364	987	593				
Line 29 expressed in sterling			<b>30</b>				2215	2950	779	4364	987	593				

**General insurance business (accident year accounting) : Analysis of gross claims and premiums for motor vehicle direct insurance and facultative reinsurance**

Name of insurer **Legal & General Insurance Limited**

Currency **British Pound**

Global business

Reporting Territory **United Kingdom other than home foreign**

Financial year ended **31 December 2010**

**Private motor - non-comprehensive**

Company registration number **R32** GL/UK/CM **423930** day month year **GL 31 12 2010** Monetary units **000** Category number **122** Currency code **GBP** Reporting territory code **AA**

Accident year ended		Month	Year	Number of claims		Gross claims paid		Gross claims outstanding carried forward		Gross claims outstanding brought forward		Claims incurred (latest year) or developed (other years) during this financial year (4+5+6-7-8) 9	Gross earned premiums 10	Claims ratio % 11	Vehicle years (000's) 12	Claims frequency % 13
Month	Year			Closed at some cost during this or previous years	Reported claims outstanding	In previous financial years	In this financial year	Reported	Incurred but not reported	Reported	Incurred but not reported					
				1	2	3	4	5	6	7	8					
12	2010		<b>11</b>													
12	2009		<b>12</b>													
12	2008		<b>13</b>													
12	2007		<b>14</b>	19		56	1	(1)	3	13	5	(15)	85	69.4	0	4.8
12	2006		<b>15</b>	128	2	310	8	5	8	34	8	(21)	504	65.7	4	3.3
12	2005		<b>16</b>	233	2	564	36	55	6	37	6	54	883	74.9	5	4.7
12	2004		<b>17</b>	320	1	665	2	3	1	6	1	(1)	1206	55.6	5	6.4
12	2003		<b>18</b>	485		1128	6	9		6	1	8	1812	63.1	10	4.9
12	2002		<b>19</b>	441		1010				2	2	(4)	1426	70.8	8	5.5
12	2001		<b>20</b>	451		914					1	(1)	1281	71.4	7	6.4
Prior accident years			<b>21</b>		2					6		(6)				
Total (11 to 21)			<b>29</b>		7		53	71	18	104	24	14				
Line 29 expressed in sterling			<b>30</b>				53	71	18	104	24	14				

**General insurance business (accident year accounting) : Analysis of gross claims and premiums for motor vehicle direct insurance and facultative reinsurance**

Name of insurer **Legal & General Insurance Limited**

Currency **British Pound**

Global business

Reporting Territory **United Kingdom other than home foreign**

Financial year ended **31 December 2010**

Company registration number **GL/UK/CM** day month year **31 12 2010** Monetary units **000** Category number **221** Currency code **GBP** Reporting territory code **AA**

**Fleets**

Accident year ended		Month	Year	Number of claims		Gross claims paid		Gross claims outstanding carried forward		Gross claims outstanding brought forward		Claims incurred (latest year) or developed (other years) during this financial year (4+5+6-7-8) 9	Gross earned premiums 10	Claims ratio % 11	Vehicle years (000's) 12	Claims frequency % 13
Month	Year			Closed at some cost during this or previous years	Reported claims outstanding	In previous financial years	In this financial year	Reported	Incurred but not reported	Reported	Incurred but not reported					
				1	2	3	4	5	6	7	8					
12	2010	11														
12	2009	12														
12	2008	13														
12	2007	14		132	3	224	(1)			(1)			183	121.9	1	16.9
12	2006	15		235		255	(1)			(2)		1	579	43.9	1	23.5
12	2005	16		209		263							286	92.0	1	20.9
12	2004	17		184		745	1809	4	2	1378	207	230	1345	190.3	1	18.4
12	2003	18		1588		1790							2337	76.6	11	14.4
12	2002	19		1283		1475							2300	64.1	7	18.3
12	2001	20		644		828							1247	66.4	2	32.2
Prior accident years		21														
Total (11 to 21)		29			3		1807	4	2	1375	207	231				
Line 29 expressed in sterling		30					1807	4	2	1375	207	231				

**Equalisation provisions**Name of insurer **Legal & General Insurance Limited**

Global business

Financial year ended **31 December 2010**

						Company registration number			GL/UK/CM	day month year			Units
						R37	423930	GL	31	12	2010	£000	
<b>Calculation of the maximum provision</b>	Business grouping A (property)	Business grouping B (business interruption)	Business grouping C (marine and aviation)	Business grouping D (nuclear)	Business grouping E (non-proportional treaty)	All business groupings							Credit insurance business
	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>							<b>7</b>
Total net premiums written in the previous 4 years	<b>11</b>	951311											
Net premiums written in the current year	<b>12</b>	244583											
Maximum provision	<b>13</b>	47836									47836		

**Calculation of the transfer to/from the provision**

Equalisation provision brought forward	<b>21</b>										14429		
Transfers in	<b>22</b>	7337									7337		
Total abnormal loss	<b>23</b>												
Provisional transfers out	<b>24</b>												
Excess of provisional transfer out over fund available	<b>25</b>												
Provisional amount carried forward (21+22-24+25)	<b>26</b>										21766		
Excess, if any, of 26 over 13	<b>27</b>												
Equalisation provision carried forward (26-27)	<b>28</b>										21766		
Transfer in/(out) for financial year (28-21)	<b>29</b>										7337		

**Equalisation provisions technical account : Accident year accounting**

Name of insurer **Legal & General Insurance Limited**

Global business

Financial year ended **31 December 2010**

		Company registration number	GL/UK/CM	day month year			Units
	<b>R38</b>	<b>423930</b>	<b>GL</b>	<b>31</b>	<b>12</b>	<b>2010</b>	<b>£000</b>
	Business grouping A (property) <b>1</b>	Business grouping B (business interruption) <b>2</b>	Business grouping C (marine and aviation) <b>3</b>	Business grouping D (nuclear) <b>4</b>		Business grouping E (non-proportional treaty) <b>5</b>	
<b>Other than credit business</b>							
Net premiums earned	<b>11</b>	228383					
Claims incurred net of reinsurance	<b>12</b>	158338					
Trigger claims value	<b>13</b>	165578					
Abnormal loss	<b>19</b>						
Trigger claims ratio		72.5%	72.5%	95%	25%	100%	

**Credit business**

Net premiums earned	<b>21</b>	255
Claims incurred net of reinsurance	<b>22</b>	(320)
Claims management costs	<b>23</b>	
Net operating expenditure	<b>24</b>	3
Technical surplus/ (deficit) (21-22-23-24)	<b>29</b>	572

Returns under the Accounts and Statements Rules

## Supplementary Notes

### Legal and General Insurance Limited

Financial Year ended 31 December 2010

#### 0301 Reconciliation of net admissible assets to capital resources

	2010	2009
	£'000	£'000
Net admissible assets as per FSA Insurance Return		
Assets: Form 13, Line 89 (OLTB)	433,869	417,259
Liabilities: Form 15, Line 69	(346,515)	(322,545)
Net admissible assets	<u>87,354</u>	<u>94,714</u>
Adjustments for:		
Cumulative preference shares: Form 15, Line 62	3,500	3,500
Form 3, Line 79	<u>90,854</u>	<u>98,214</u>

#### 0313 Reconciliation of profit and loss account and other reserves to the profit and loss retained

	2010	2009
	£'000	£'000
Profit and loss account and other reserves as per FSA Insurance Return		
Profit and loss account and other reserves brought forward	(1,337)	(14,849)
Retained loss for the financial year: Form 16, Line 59	<u>(8,698)</u>	<u>13,512</u>
Form 3, Line 12	<u>(10,035)</u>	<u>(1,337)</u>

#### 1301 Aggregate value of certain investments

- The aggregate value of unlisted investments held by the Company amounted to nil (2009: nil).
- The Company does not hold any listed investments, which are not readily realisable.
- The aggregate value of the collective investment schemes held by the Company amounted to nil (2009: nil) in quoted unit trusts.
- The Company does not hold any reversionary interests or remainders in property.

#### 1303 Amount of non-debtor salvage or subrogation recoveries

The company has no non-debtor salvage or subrogation recoveries other than those at line 73.

## Supplementary Notes

### Legal and General Insurance Limited

#### Financial Year ended 31 December 2010

#### 1304 Debtors and creditors

In accordance with Appendix 9.1.8.2 amounts shown in Forms 13 and 15 have been calculated by netting amounts due to any one person against amounts due from that person.

#### 1305 Maximum counterparty limit

The investment managers of the shareholders' and general insurance funds of UK companies in the Legal & General Group have been given counterparty limits as authorised by the Audit Committee of the Group. These limits for cash deposits, money market investments, foreign exchange and interest rate management transactions (including exposures related to derivatives, stock lending and cash balances with custodial banks) are limited to approved counterparties and are graded by counterparty and duration, but maximum counterparty exposure is limited to 1.5% of the fund value. This limit was not exceeded during the financial year. Limits on individual bond holdings based upon their credit ratings were breached during the year. These breaches were assented by Legal & General Insurance Limited.

Stock	Credit rating	% Fund Value	Limit
EGG BKNG 7.5 9/12/13-49P	BB	0.81%	0.50%
HBOS FRN 31/05/10-49P	BB	1.40%	0.50%
LBG CAPITAL NO.1 7.5884 12/05/ 20	BB	1.72%	0.50%
AMERICAN INTL GRP 5.75 15/03/6	BB	1.10%	0.50%
SIEMENS FIN 6.125 14/06/66	BBB	1.71%	1.50%

#### 1306 Exposure at the year end to large counterparties

There were no counterparty exposure in excess of £21,693,500 being 5% of the general business amount.

#### 1307 Aggregate value of certain fully secured rights

No rights exist to which INSPRU2.1.35R and INSPRU 2.1.36R apply.

#### 1314 Amount of tangible leased assets

The Company has no tangible leased assets included in the amount of tangible assets (line 80).

#### 1320 Insurance Special Purpose Vehicles

The Company has no insurance special purpose vehicles.

#### 1501 Provision for adverse changes

The nil provision for adverse changes was determined using the following methods and assumptions:

The Company's obligations under contracts, to which GENPRU 1.3.30R to GENPRU 1.3.33R applies, are mostly covered by matching assets and so require no provision for reasonably foreseeable adverse variations.



## Supplementary Notes

### Legal and General Insurance Limited

#### Financial Year ended 31 December 2010

#### 1502 Specific details on potential liabilities

- (a) No charge has been made on the assets of the Company to secure the liabilities of any other person.
- (b) There is no potential capital gains tax liability.
- (c) Provision for liabilities arising under contracts with policyholders is based on certain assumptions. The variance of actual experience from that assumed may result in such liabilities differing from the provisions made for them. Liabilities may also arise in respect of claims relating to the interpretation of such contracts, or the circumstances in which policyholders have entered into them (together in this paragraph 'liabilities'). The extent of such liabilities is influenced by the actions of the FSA, by ombudsman rulings, by industry compensation schemes and by court judgements. It is not possible to predict, with certainty, the extent and the timing of the financial impact to which these liabilities may give rise. The Company considers that it has made prudent provision for such liabilities, as and when circumstances calling for such provision become clear, and that it has adequate capital and reserves to meet all reasonably foreseeable eventualities.
- (d) No guarantee, indemnity or other contractual commitment, effected other than in the ordinary course of insurance business (including transacting general insurance business through a subsidiary), exists in respect of related companies.
- (e) There is no other fundamental uncertainty, although the establishment of claims and unexpired risk provisions can never be definitive and reassessment takes place regularly.

#### 1503 Cumulative preference share capital

In respect of the cumulative preference shares issued by the Company, a dividend accrual of £2,000 (2009: £2,000) has been made at the year end.

1700 Form 17 has been omitted because all entries would be blank.

#### 20Ae Total primary (direct) and facultative business

The company do not carry out any facultative business.

#### 20Ag UK and overseas premium analysis

All premiums written and reinsured are attributable to UK business.

## Supplementary Notes

### Legal and General Insurance Limited

#### Financial Year ended 31 December 2010

##### 20Aj Date of last new contract

For authorisation classes where no new contract was effected during the year, the following are the due dates on which the last contract of each class was effected:

Class		Date
4	Railway rolling stock	Not applicable
5	Aircraft	Not applicable
6	Ships	Not authorised to transact this class of business
7	Goods in transit	Not authorised to transact this class of business
11	Aircraft liability	Not applicable
12	Liability for ships	Not authorised to transact this class of business
18	Assistance	Not authorised to transact this class of business

##### 2007 Material connected party transactions

No transactions were made during the year with any connected party, which were in excess of 5% of the general business amount.

##### 2102 Unearned premiums

Unearned premiums, except for mortgage indemnity business, have been calculated using the three hundred and sixty fifths method, which is believed to be an appropriate method for annual renewal business accounted for on an accident year basis. Unearned premiums for mortgage indemnity business have been calculated to reflect the exposure to risk over a ten-year period.

##### 2202 Claims management expenses

Claims management expenses are determined by identifying the specific costs and overheads attributable to the handling of claims. Claims management expenses carried forward are calculated as percentages of the notified outstanding claims and IBNR provisions carried forward.

##### 2204 Acquisition expenses

Acquisition expenses payable are determined by identifying the specific costs and overheads attributable to the acquiring of business. Acquisition expenses carried forward are calculated as percentages of the unearned premium provision carried forward.

##### 2205 Provision for unexpired risks

Investment return has been taken into account in determining the provision for unexpired risks.

1. the provision before taking investment return into account for Household is Nil and for Accident Sickness and Unemployment (ASU) is Nil.
2. the rates of interest used for Household and ASU is 4%.
3. the average interval to the date at which claims are expected to be settled in cash is 1 year for both Household and ASU.

Returns under the Accounts and Statements Rules

## **Supplementary Notes**

### **Legal and General Insurance Limited**

#### **Financial Year ended 31 December 2010**

**2400** Form 24 has been omitted because all entries would be blank.

**2500** Form 25 has been omitted because all entries would be blank.

**2600** Form 26 has been omitted because all entries would be blank.

**2700** Form 27 has been omitted because all entries would be blank.

**2800** Form 28 has been omitted because all entries would be blank.

**2900** Form 29 has been omitted because all entries would be blank.

**3000** Form 30 has been omitted because all entries would be blank.

**3400** Form 34 has been omitted because all entries would be blank.

**3500** Form 35 has been omitted because all entries would be blank.

**3600** Form 36 has been omitted because all entries would be blank.

**3900** Form 39 has been omitted because all entries would be blank.

Returns under the Accounts and Statements Rules

**Statements Required by Rules**

**Legal and General Insurance Limited**

**Financial Year ended 31 December 2010**

**Rule 9.25: Major treaty reinsurers**

Reinsurer Details:	Proportional Reinsurance Premiums £'000	Non Proportional Reinsurance Premiums £'000	Debts outstanding included at F13 L75 £'000	Deposits received included at F15 L31 £'000	Anticipated Recoveries £'000
Underwriting members of Lloyds, 1 Lime Street, London, United Kingdom.	Nil	3,479	Nil	Nil	Nil
Swiss Re, 30 St Mary Axe, London, United Kingdom.	Nil	84	Nil	Nil	52
International Property Catastrophe Reinsurance Ltd 29 Richmond Road, Pembroke HM08, Bermuda.	Nil	522	Nil	Nil	Nil
Cardif Pinnacle Ltd A1 Barnet Way Borehamwood, Hertfordshire, United Kingdom	2,369	Nil	Nil	Nil	264
Legal & General Assurance Society Limited, 1 Coleman Street, London, EC2R 5AA	Nil	4,468	Nil	Nil	Nil

Returns under the Accounts and Statements Rules

## **Statements Required by Rules**

### **Legal and General Insurance Limited**

**Financial Year ended 31 December 2010**

#### **Rule 9.26: Major facultative reinsurers**

The company has no major facultative reinsurers.

#### **Rule 9.27: Major general business reinsurance cedants**

The company has no major general business reinsurance cedants.

#### **Rule 9.29: Additional information on derivative contracts**

- (a) Investment objectives and guidelines are set for any relevant investment fund. These guidelines reflect the specific objectives of the fund in terms of its asset structure, permitted holdings and performance targets. Compliance with any relevant FSA regulations and published guidance notes in respect of derivatives is taken into account. The overriding principles are to have adequate controls in place to ensure that the funds are not exposed excessively to risks related to derivative contracts. Specific guidelines are set and these are summarised below:
- (i) The use of derivatives must be appropriately justified as efficient portfolio management or as a reduction of investment risk.
  - (ii) Adequate cover must be maintained to enable obligations to be met and rights to be exercised.
  - (iii) Regular monitoring should be performed in order to determine aggregate exposure to each asset and counterparty exposure (for which a limit is set).
  - (iv) Monitoring and valuation procedures must enable the external reporting of derivative contracts to be completed satisfactorily.
  - (v) Derivatives must be based on assets which are themselves admissible or based on an index of such assets or based on an official index of retail prices.
  - (vi) A list of approved derivative brokers is maintained and updated at least annually.
  - (vii) Derivative transactions should only be undertaken in the full knowledge of their treatment for tax purposes to ensure that such transactions are financially appropriate.
- (b) The guidelines for the use of derivative contracts require that these are used only in accordance with the legal requirements of the Criteria for Sound and Prudent Management. The guidelines do not prohibit the use of contracts that are not reasonably likely to be exercised. However, the use of such contracts is relatively rare and restricted to selling options to enhance fund performance. Such transactions are always fully covered, and written on the basis that if the agreed striking price was reached the underlying stock would be bought or sold.

Returns under the Accounts and Statements Rules

**Statements Required by Rules**

**Legal and General Insurance Limited**

**Financial Year ended 31 December 2010**

**Rule 9.29: Additional information on derivative contracts (continued)**

- (c) No written options were entered into during the year.
- (d) The Company has not at any time during the financial year used any derivative contract that does not fall within the definition of permitted derivative.
- (e) The Company did not grant any rights under derivative contracts.

**Rule 9.30: Additional information on shareholder controllers**

Legal & General Group plc (“the Group”) was, throughout the year, a shareholder controller of the Company. The Group holds all of the ordinary share capital and voting rights in Legal & General Assurance Society Limited, of which the Company is a 100% subsidiary undertaking.

Returns under the Accounts and Statements Rules

## Statements Required by Rules

### Legal and General Insurance Limited

Financial Year ended 31 December 2010

#### Rule 9.32: Additional information on business ceded

#### Non-facultative reinsurance contracts entered into or modified during the year.

Business Category	Type of Reinsurance Cover	Policy Limitations	Period of Cover
Creditor	75% Quota Share of one scheme		1 May 2010 – 30 April 2011
	75% Quota Share of one scheme		1 May 2009 – 30 April 2010
Household Liability	Accident Excess of Loss Treaty (contract cover £9.25m xs £0.75m for Employers' Liability £4.25m xs £0.75m for Public' Liability)	Unlimited reinstatements	1 April 2010 – 30 June 2011
	Accident Excess of Loss Treaty (contract cover £9.25m xs £0.75m for Employers' Liability £4.25m xs £0.75m for Public' Liability)	Unlimited reinstatements	1 April 2009 – 30 June 2010
Household & Domestic all risks	Catastrophe Excess of Loss Treaty (contract cover £15m xs £30m)	One reinstatement	1 July 2010 – 30 June 2011
	Catastrophe Excess of Loss Treaty (contract cover £55m xs £45m)	One reinstatement	1 July 2010 – 30 June 2011
	Catastrophe Excess of Loss Treaty (contract cover £135xs £100m)	One reinstatement	1 July 2010 – 30 June 2011
	Catastrophe Excess of Loss Treaty (contract cover £50m xs £30m)	One reinstatement	1 July 2009 – 30 June 2010
	Catastrophe Excess of Loss Treaty (contract cover £65m xs £80m)	One reinstatement	1 July 2009 – 30 June 2010
	Catastrophe Excess of Loss Treaty (contract cover £105m xs £145m)	One reinstatement	1 July 2009 – 30 June 2010
	Risk Excess of Loss Treaty (contract cover £2.25m xs £1m)	Three reinstatements	1 October 2009 – 30 September 2010

Returns under the Accounts and Statements Rules

**Statements Required by Rules**

**Legal and General Insurance Limited**

**Financial Year ended 31 December 2010**

**Rule 9.32: Additional information on business ceded (continued)**

**6Maximum net probable loss to the Company.**

Business category	Maximum net probable loss	
	Any one contract of insurance £'000	All such contracts of insurance £'000
Creditor	48	11,633
Motor business	1,000	1,000
Household liability	750	750
Household & domestic all risks	1,000	41,927
Mortgage indemnity	50	255

**Reinsurers' share of gross premiums.**

Accounting class	Facultative Premiums £'000	Non-facultative Premiums £'000
Accident & Health	Nil	Nil
Personal lines motor business	Nil	Nil
Household & domestic all risks	Nil	13,992
Personal lines financial loss	Nil	2,369



Returns under the Accounts and Statements Rules

**Directors' certificate required by Rule 9.34**

**Legal and General Insurance Limited**

**Financial Year ended 31 December 2010**

We certify that:

- a) The return has been properly prepared in accordance with the requirements in IPRU(INS), GENPRU and INSPRU; and
  
- b) We are satisfied that:
  - i) throughout the financial year, the insurer has complied in all material respects with the requirements in SYSC and PRIN as well as the provisions of IPRU(INS), GENPRU and INSPRU; and
  
  - ii) it is reasonable to believe that the insurer has continued so to comply subsequently and will continue to comply in future.

J.B. Pollock, Chairman.....

D.A. Finch, Director.....

M.A. Lawler , Director.....

1 Coleman Street  
London EC2R 5AA  
15 March 2011

Returns under the Accounts and Statements Rules

## **Auditors' report: Regulatory Return for a general insurance company**

**Legal and General Insurance Limited**  
**Global Business**

**Financial Year ended 31 December 2010**

**Independent auditors' report to the directors pursuant to rule 9.35 of the Interim Prudential Sourcebook for Insurers**

We have examined the following documents prepared by the insurer pursuant to the Accounts and Statements Rules set out in Part I and Part IV of Chapter 9 to IPRU(INS) the Interim Prudential Sourcebook for Insurers, GENPRU the General Prudential Sourcebook and INSPRU the Insurance Prudential Sourcebook for Insurers ("the Rules") made by the Financial Services Authority under section 138 of the Financial Services and Markets Act 2000:

- \* Forms 1, 3, 11 to 13, 15 to 16, 20 to 23, 31, 32, 37 and 38 (including the supplementary notes) on pages 1 to 52 ("the Forms"); and
- \* the statements required by IPRU(INS) rules 9.25, 9.26, 9.27 and 9.29 on pages 58 to 60 ("the Statements").

We are not required to examine and do not express an opinion on:

- \* the statements required by IPRU(INS) rules 9.30, 9.32 and 9.32A on pages 60 to 62 and
- \* the certificate required by IPRU(INS) rule 9.34 on page 63 ("the certificate").

### **Respective responsibilities of the company and its auditors**

The insurer is responsible for the preparation of an annual return (including the Forms and the statements) under the provisions of the Rules. Under IPRU(INS) rule 9.11 the Forms and the statements are required to be prepared in the manner specified by the Rules and to state fairly the information provided on the basis required by the Rules.

It is our responsibility to form an independent opinion as to whether the Forms and the statements meet these requirements, and to report our opinions to you. We also report to you if, in our opinion:

- \* adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- \* the Forms and the statements are not in agreement with the accounting records and returns; or
- \* we have not received all the information we require for our audit.

This report has been prepared for the directors of the insurer to comply with their obligations under IPRU(INS) rule 9.35 and for no other purpose. We do not, in providing this report, accept or assume responsibility for any other purpose save where expressly agreed by our prior consent in writing.

Returns under the Accounts and Statements Rules

## **Auditors' report: Regulatory Return for a general insurance company**

**Legal and General Insurance Limited**  
**Global Business**

**Financial Year ended 31 December 2010**

### **Basis of opinion**

We conducted our work in accordance with Practice Note 20 'The audit of insurers in the United Kingdom (Revised)' issued by the Auditing Practices Board. Our work included examination, on a test basis, of evidence relevant to the amounts and disclosures in the Forms and the statements. The evidence included that previously obtained by us relating to the audit of the financial statements of the insurer for the financial year.' It also included an assessment of the significant estimates and judgements made by the insurer in the preparation of the Forms and the statements.

We planned and performed our work so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Forms and the statements are free from material misstatement, whether caused by fraud or other irregularity or error and comply with IPRU(INS) rule 9.11.

### **Opinion**

In our opinion the Forms and the statements fairly state the information provided on the basis required by the Rules and have been properly prepared in accordance with the provisions of those Rules.

PricewaterhouseCoopers LLP

Chartered Accountants

15 March 2011