



Aviva Scrip Dividend Scheme

This document is important and requires your immediate attention. If you have any doubts about what actions you need to take, you should contact your stockbroker, bank manager, solicitor, accountant or other professional adviser authorised pursuant to the Financial Services and Markets Act 2000 immediately. Please read this Scrip Dividend Scheme booklet carefully and retain it in case you need to refer to it in the future.

This booklet contains the terms and conditions of the Aviva Scrip Dividend Scheme and should be read in conjunction with the accompanying Mandate Form.

If you have sold or transferred all of your holding of Ordinary Shares you should pass this booklet and the accompanying document to the person through whom the sale or transfer was effected, for transmission to the purchaser or transferee.

Important Information

- If you wish to receive dividends in cash on your Ordinary Shares in the usual way you do not need to take any action and may disregard this document.
- Appendix 1 to this document contains definitions of certain terms used in this booklet.
- The operation of the Aviva Scrip Dividend Scheme is always subject to the Directors' decision to make an offer of New Shares in respect of any particular dividend. The Directors also have the power, after such an offer is made, to suspend or terminate the Scheme generally at any time prior to the allotment of the New Shares. If the Directors suspend or terminate the Scheme, Shareholders will receive their dividend in cash on or as soon as reasonably practicable after the dividend payment date.
- Subject to the approval of the Shareholders at the Annual General Meeting to be held on 29 April 2009, the Scheme will apply to the 2008 final dividend and in future will apply to both final and interim dividends in respect of which a scrip dividend alternative is offered.

What is the Aviva Scrip Dividend Scheme?

The Aviva Scrip Dividend Scheme provides Shareholders with an opportunity, if they wish, to receive new Ordinary Shares of 25 pence each instead of cash dividends. The Scheme therefore allows most Shareholders to increase their shareholdings in Aviva without incurring dealing costs or stamp duty whilst at the same time the cash, which would otherwise have been paid out in dividends, is retained by the Company for reinvestment in the business.

Shareholders who wish to join the Scheme need to authorise (Mandate) the Company to issue shares instead of cash for all future dividends, although Shareholders can at anytime cancel their instructions and revert to receiving their dividends in the form of cash.

Who can join the Scheme?

All Shareholders and participants in the Aviva Share Account who, in both cases, are resident in the United Kingdom can join the Scheme. **Details regarding participation by overseas Shareholders and overseas Aviva Share Account members appear on page 8 of this booklet.**

How do I join the Scheme?

After having read this booklet please complete the Mandate Form and return it to the Company's Registrar, Equiniti, in the reply paid envelope enclosed. No acknowledgement of receipt will be issued.

Mandate Forms must normally be received by Equiniti at least 20 working days before the relevant dividend payment date to be eligible for that dividend. **In respect of the 2008 final dividend proposed to be paid on 15 May 2009, Mandate Forms must be received by 5.00pm on 24 April 2009.** For details of the date for each interim and final dividend please refer to the Company's website www.aviva.com/dividend or call the Equiniti share dividend helpline on 0871 384 2953* (or + 44 121 415 7046 if you are calling from outside the United Kingdom). Mandate Forms received after the relevant date will be effective for future dividends only.

A Participant's Mandate will remain in force for all future dividends until cancelled.

Upon execution of a Mandate Form, either personally or on your behalf, you are deemed:

- (a) to have agreed to participate in the Scheme pursuant to its terms and conditions; and
- (b) to have authorised the Company or its agent (i) to send to the Participant at the Participant's registered address, in the case of holdings in certificated form, any definitive share certificate in respect of New Shares allotted, (ii) in the case of holdings in the Aviva Share Account to credit the New Shares allotted to the Participant's Aviva Share Account, and (iii) in the case of holdings in uncertificated form, to credit the New Shares allotted to the Participant's CREST account on the date that dealings commence.

*Calls to this number are charged at 8 pence per minute from a BT landline. Charges from other telephone providers may vary.

In respect of the 2008 final dividend proposed to be paid on 15 May 2009,
Mandate Forms must be received by **5.00pm on 24 April 2009.**

How many New Shares will I receive?

Your entitlement to New Shares is calculated by taking the amount of cash dividend to which you are entitled and dividing it by the Scrip Calculation Price.

The Scrip Calculation Price will be the average of the middle market quotations for the Company's Ordinary Shares for the five business days commencing on the ex-dividend date (as notified on the Aviva plc website) as derived from the Daily Official List of the London Stock Exchange. The Scrip Calculation Price will be announced to the London Stock Exchange and detailed on the Aviva plc website www.aviva.com/dividend.

The calculation of your entitlement to New Shares will be subject to rounding to ensure that it is, as nearly as possible, equal to but not greater than the cash amount of the cash dividend (disregarding any tax credit).

The formula used in calculating your entitlement to New Shares is, therefore, as follows:

Number of Ordinary Shares held at the dividend record date x cash dividend per share + cash balance carried forward from previous dividend (if any) = maximum dividend available ÷ by Scrip Calculation Price.

An example for illustrative purposes only is as follows:

Assuming a cash dividend of 19.91 pence per ordinary share, and a shareholding of 1,000 Ordinary Shares, and a Scrip Calculation Price of £2.50

- Value of cash dividend: $1,000 \times 19.91 = £199.10$
- Number of New Shares: $£199.10 \div £2.50 = 79.64$ rounded down to 79 shares.
- Value of New Shares: $79 \times £2.50 = £197.50$ leaving a cash balance of £1.60 which would be carried forward to the next dividend payment.

No fraction of a New Share will be allotted and any cash balance will be carried forward, without interest, and included in the calculation for the next dividend payment.

How will I know how many New Shares I have received?

On every occasion that New Shares are allotted under the Scheme, each Participant will receive a statement (where relevant, with their share certificate) showing the cash dividend to which that Participant is entitled, the number of New Shares issued to the Participant and any cash balance carried forward to the next dividend payment. The statement will also contain details of the “cash equivalent of the New Shares” and the notional tax credit, which Participants will need for their tax return. **(Please see Appendix 2).** If you wish to know the “cash equivalent of the New Shares” before this, you may view the “cash equivalent of the New Shares” on the Company’s website www.aviva.com/dividend or contact Equiniti three business days after the record date for the particular dividend.

If on any occasion the cash dividend to which a Participant would otherwise be entitled, together with any cash balance brought forward, is insufficient to acquire at least one New Share, the Participant will receive a statement explaining that no New Shares have been issued to the Participant and showing how much cash has been carried forward to the next dividend.

If you wish to know the **“cash equivalent of the New Shares”** before this, you may view the **“cash equivalent of the New Shares”** on the Company’s website [**www.aviva.com/dividend**](http://www.aviva.com/dividend)

What will you do with the cash balance?

Fractions of New Shares will not be issued. Therefore, any residual cash balance will be retained by the Company for the benefit of the relevant Participant (without interest) and carried forward and included in the calculation for that Participant’s next scrip dividend entitlement.

If a Mandate ceases to remain in force or should a Participant dispose of their entire shareholding, any cash balance held will be paid (without interest) to the relevant Participant or their estate or trustee entitled thereto, as applicable, as soon as reasonably practicable.

When will I receive my New Shares?

Subject to the New Shares being admitted to the Official List of the UK Listing Authority and to trading on the London Stock Exchange's market for listed securities, definitive share certificates and/or statements will be posted, at the relevant Participant's risk, on or about the same day as dividend cheques are posted to Shareholders who are taking the relevant dividend in cash.

CREST members who have elected to receive New Shares will have their CREST accounts credited directly with the relevant New Shares and will be notified via CREST on the same day the cash dividend is paid. If the Company is unable to do this under the provisions of the Uncertificated Securities Regulations 2001 or the facilities and requirements of CREST, the relevant New Shares will be issued as certificated shares and definitive share certificates will be posted to the relevant Participant at that Participant's risk.

Applications will be made to each of the UK Listing Authority and the London Stock Exchange for any New Shares issued under the Scheme to be admitted to the Official List of the UK Listing Authority and the London Stock Exchange's market for listed securities respectively. In the unlikely event that the New Shares are not admitted to listing, listing does not become effective or the New Shares are not admitted to trading, the dividend for Shareholders who have chosen to receive New Shares will be paid in cash on or as soon as reasonably practicable after the relevant dividend payment date.

When issued, the New Shares will rank equally in all respects with the existing Ordinary Shares and will qualify for all future dividends.

What if I hold my Ordinary Shares wholly or partly in CREST?

Under the Uncertificated Securities Regulations 2001, if holdings of Ordinary Shares are held partly in certificated and partly in uncertificated form, the Company will treat such shareholdings as if they were separate holdings and a separate Mandate Form will be issued for each such holding. To the extent that a holding is in uncertificated form (i.e. in CREST) at the record date for the relevant dividend, by submitting an electronic election via Euroclear UK & Ireland the relevant Shareholder is deemed to authorise the Company to issue New Shares in uncertificated form. Similarly, to the extent that a holding is in certificated form at the record date for the relevant

dividend, or a Shareholder converts from certificated to uncertificated form after the relevant record date, by signing the Mandate Form the relevant Shareholder is deemed to authorise the Company to issue New Shares in certificated form.

Dematerialised holders should elect for the scrip dividend option using the Euroclear UK & Ireland functionality for electronic dividend elections. Any paper elections relating to dematerialised holdings are submitted wholly at the risk of the submitting party and Equiniti reserves the right to reject any paper elections received relating to these holdings.

Can Shareholders or Aviva Share Account members outside the United Kingdom join the Scheme?

The right to receive New Shares instead of cash in respect of dividends is not available to any person in the United States of America, its territories and possessions, Canada, or in any jurisdiction outside the United Kingdom where such an offer would require compliance by the Company with any governmental or regulatory procedures or any similar formalities. No person receiving a copy of this document or Mandate Form in any such country or jurisdiction may treat such documents as offering a right to elect unless such an offer could lawfully be made without any such compliance. Any Shareholder or Aviva Share Account member outside the United Kingdom wishing to receive New Shares is responsible for ensuring, without any further obligation on the Company, that their election can be validly made and for observing all formalities.



What are the tax effects?

The tax effect of taking New Shares will depend on each Shareholder's individual circumstances. Explanatory notes are given in Appendix 2 to this document.

If you are not sure how you will be affected, it is recommended that you consult your professional adviser before taking any action.

What is the Scrip Mandate Form?

This is the form you will need to complete if you wish to participate in the Scrip Dividend Scheme for the relevant dividend and all future dividends for which the scrip dividend alternative is offered. Your Mandate will remain valid in respect of all future dividends unless and until cancelled in writing by you or until the Scheme is cancelled by the Company.

Can I complete a Mandate Form for part of my holding?

No. Mandate Forms will not be accepted for part of a shareholding. The Mandate Form applies to the full number of Ordinary Shares registered in a Participant's name on the relevant record date. Notwithstanding this, the Company may, at its discretion, permit a Shareholder to complete a Mandate Form in respect of a lesser number of Ordinary Shares than the full shareholding where that Shareholder is acting on behalf of more than one beneficial owner i.e. a nominee Shareholder. Any such completion in respect of part of a shareholding will continue to apply for future dividends to the number of Ordinary Shares specified until it is altered or cancelled. A cash dividend will automatically be paid on any Ordinary Shares which are not specified in a Mandate Form.

Does the Mandate apply to Ordinary Shares held in joint names?

Yes, for as long as the Ordinary Shares are held jointly, but all joint Shareholders must sign the Mandate Form.

Will my New Shares have the same voting rights?

Yes, the New Shares will carry the same voting rights as your existing Ordinary Shares.

What happens if I buy more shares after I have completed a Mandate Form?

If a Participant buys Ordinary Shares prior to the first day such shares are quoted “ex-dividend” for any particular dividend, that Participant may be entitled to the dividend on those shares and they are advised to contact their stockbroker or other agent through whom the purchase was made without delay so as to ensure that the purchased shares are registered promptly in their name.

Any additional Ordinary Shares which a Participant buys, and which are registered in their name prior to the record date for any dividend to which they are entitled, will be covered by the Mandate Form they have completed and such Participant will receive New Shares, instead of cash dividends, for their entire holding.

What happens if I sell part of my holdings?

If Participants sell any of their Ordinary Shares prior to the first day such shares are quoted “ex-dividend” for any particular dividend, they may not be entitled to the dividend on those shares and they are advised to contact their stockbroker or other agent through whom the sale was effected without delay as there may be a claim for the cash amount of the dividend by the purchaser in accordance with the rules of the UK Listing Authority.

If a Participant sells part of their shareholding prior to the relevant record date for any dividend and such sale is registered in the Company’s Register of Members prior to the relevant record date, the Scheme will only apply to their remaining Ordinary Shares.

What happens if I have more than one holding?

If a Participant’s Ordinary Shares are registered in more than one holding and they want to receive New Shares instead of cash dividends in respect of each holding, they must complete a separate Mandate Form for each holding. If they wish, a Participant may ask Equiniti to combine their holdings. A Participant cannot, however, combine a sole shareholding with a joint shareholding.

Can I cancel my instructions?

Participants may cancel their instructions at any time by writing to Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA. For a cancellation instruction to be effective for a particular dividend, it must usually be received at least 20 working days* before the payment date for that dividend.

If a cancellation instruction is received after that date, it will apply to all subsequent dividends.

When will my Mandate be cancelled?

Instructions will be regarded as cancelled in respect of any Ordinary Shares which a Shareholder sells or otherwise transfers to another person and regarded as fully cancelled on the sale or transfer of the whole of a Participant’s shareholding. This will take effect from registration of the relevant share transfer.

Instructions will be regarded as cancelled immediately on notice being given to the Company by writing to Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, of the death, bankruptcy, liquidation or mental incapacity of a Participant, unless the Participant was a joint Shareholder in which case participation of the other joint Shareholder(s) will continue.

*For the dividend proposed to be paid on 15 May 2009 any subsequent instructions to cancel a new Mandate should be received by 5.00pm on 24 April 2009.

Can the Company cancel the Scheme?

The operation of the Scheme requires the continued approval of Shareholders. Shareholder approval will be sought at the Company's 2009 Annual General Meeting on 29 April 2009 in respect of any dividend proposed by the Directors and declared by the Company in a general meeting (as the case may be) on or before 28 April 2014.

The Scheme may be amended, suspended or terminated at any time at the discretion of the Directors by notice in writing to Shareholders. In the case of an amendment, a Participant's instructions will remain valid under the amended terms unless they notify Equiniti in writing, cancelling their instructions, 20 working days* before the payment date for the next dividend failing which, the cancellation will take effect from the following dividend.

What do I do if I have any questions?

If you have any queries, please contact Equiniti using the contact details set out below:

- by post at Share Dividend Operations, Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA
- by telephone on 0871 384 2953 + (or +44 121 415 7046 if you are calling from outside the United Kingdom).

Alternatively you can visit www.aviva.com/dividend

How do I notify changes?

Any notifications regarding the Scheme should be addressed to Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA. All communications, notices, certificates and remittances to be delivered by or sent to or from Shareholders will be delivered or sent at their own risk.

What is the Governing Law of the Scheme?

The Scheme (including any Mandate Form, election(s), instruction(s) and authorisation(s) given by any Shareholder) is subject to the Company's Memorandum and Articles of Association in force from time to time and is governed by and its terms and conditions are to be construed in accordance with English law. By electing to receive New Shares a Participant agrees to submit to the jurisdiction of the English courts in relation to the Scheme.

If you wish to receive dividends in cash in the usual way you need take no action and may disregard this document.

*For the dividend proposed to be paid on 15 May 2009 any subsequent instructions to cancel a new Mandate should be received by 5.00pm on 24 April 2009.

+Calls to this number are charged at 8 pence per minute from a BT landline. Charges from other telephone providers may vary.

APPENDIX 1

DEFINITIONS

The following definitions apply throughout this document and to the accompanying documents unless the context otherwise requires:

"Aviva" or the "Company"	Aviva plc
"Scrip Calculation Price"	the average of the middle market quotations of an Ordinary Share, derived from the London Stock Exchange Daily Official List, for the five consecutive business days commencing on the day the Ordinary Shares are first quoted "ex" for the relevant dividend
"CREST"	the relevant system (as defined in the Uncertificated Securities Regulations 2001 (SI/3755)) in respect of which CRESTCo Limited is the operator
"Directors"	the directors of Aviva plc
"London Stock Exchange"	the London Stock Exchange plc
"Mandate"	the instructions of a Shareholder as set out in a valid Mandate Form
"Mandate Form"	a mandate in a form provided by the Company from a Shareholder to the Directors to allot New Shares under the terms of the Scheme in lieu of cash dividends to which they may become entitled from time to time and to which the Scheme is applicable
"New Shares"	new Ordinary Shares issued under the Scheme
"Ordinary Shares"	ordinary shares of 25p each in the capital of the Company
"Aviva Share Account"	a nominee sponsored by Aviva enabling investors to hold their shares electronically
"Participant"	a Shareholder or an Aviva Share Account member who participates in the Scheme
"Aviva Scrip Dividend Scheme," "Scrip Dividend Scheme" or "Scheme"	the Aviva plc Scrip Dividend Scheme comprising the terms and conditions contained in this document as amended from time to time
"Shareholder"	a holder of Ordinary Shares in Aviva plc

APPENDIX 2

TAXATION

The Company has been advised that, under United Kingdom legislation and HM Revenue & Customs (HMRC) practice as at the date of this document, the United Kingdom taxation consequences for Shareholders, who are resident or ordinarily resident in the United Kingdom, of electing to receive New Shares instead of a cash dividend will, broadly, be as summarised below. This summary only relates to the position of Shareholders resident or ordinarily resident in the United Kingdom for taxation purposes who hold their shares as an investment and who are beneficial owners of their Ordinary Shares. The statements do not apply to certain classes of Shareholder such as, inter alia, dealers in securities or Shareholders who have (or are deemed to have) acquired their Ordinary Shares by reason of any office or employment.

This summary of the taxation treatment is not exhaustive and is only intended as a general guide to current UK tax law and to current published practice of HMRC. If you are in any doubt as to your tax position, you should consult your professional adviser before taking any action.

Individuals

Where individuals who are resident in the United Kingdom elect to receive New Shares in place of a cash dividend, they will be treated as having received gross income of an amount which, when reduced by income tax at the dividend ordinary rate (currently 10%), is equal to the “cash equivalent of the New Shares”. The “cash equivalent of the New Shares” will be the amount of the cash dividend foregone as calculated on the basis set out in this document.

Individuals who (after having taken into account their receipt of New Shares) are liable to income tax only at the dividend ordinary rate (currently 10%), will have no further liability to income tax in respect of the New Shares received. Individuals who are subject to income tax at the dividend upper rate or become liable to income tax at the dividend upper rate as a result of receiving New Shares, will be liable to pay tax at the dividend upper rate (currently 32.5%), on the gross income which they are treated as having received, as described above, with a credit for tax at the dividend ordinary rate treated as paid thereon. For example, if the “cash equivalent of the New Shares” received is £90, the individual will be treated as having received gross income of £100 and as having paid income tax of £10 on that gross amount. The higher rate tax payer will be liable to pay additional tax of £22.50 (the difference between £32.50 and the £10 treated as having been paid). Subject to what is said above in relation to the determination of the “cash equivalent of the New Shares”, this is the same treatment as for cash dividends. For non tax paying individuals, no tax repayment claim may be made on either a cash dividend or in respect of New Shares taken (including in relation to holdings in PEPs and ISAs).

Where part of the cash dividend foregone is not applied in determining the number of New Shares to which the Shareholder is entitled, and this residual cash balance is carried forward as described in this document, our understanding is that HMRC take the view that the Shareholder will not be taxed on this amount unless and until it is paid to the Shareholder (in which case it will be treated as a dividend in the ordinary way) or applied towards the acquisition of New Shares (in which latter case the tax treatment will be as described above).

For capital gains tax purposes, if an election to receive New Shares instead of a cash dividend is made, then the cash equivalent of each of the New Shares (or the opening value, if the opening value differs substantially from the cash equivalent) will be treated as being the consideration given for the New Shares. The Shareholder will not be treated as having made a disposal of his existing Ordinary Shares where such an election is made. The New Shares will be treated as having been acquired as a separate acquisition from the existing shares and the holding period for the purposes of taper relief will begin to run, in respect of the New Shares, from the date the New Shares are acquired.

UK resident trustees

UK resident trustees who are not subject to income tax at the dividend trust rate on distribution type income will not have any liability to tax on the receipt of New Shares pursuant to an election to take New Shares instead of a cash dividend.

Where trustees, to whom income tax at the dividend trust rate of 32.5% applies, elect to receive New Shares instead of a cash dividend, the same grossing up procedure as outlined above in relation to individuals will apply. For capital gains tax purposes, the cash equivalent of the New Shares allotted will be treated as being the consideration given for the New Shares.

UK resident corporate shareholders

A corporate shareholder resident in the United Kingdom is not generally liable to corporation tax on the receipt of cash dividends. Similarly, where a resident corporate shareholder elects to receive New Shares instead of a cash dividend, corporation tax will not be chargeable on the New Shares so acquired. For the purposes of computing any future liability to corporation tax on chargeable gains, no consideration will be treated as having been given for the New Shares. The New Shares will be added to the corporate shareholder's existing holding of Ordinary Shares in the Company and treated as though they had been acquired when the corporate shareholder's existing holding was acquired.

UK resident pension funds and charities

As the allotment of the New Shares will not be treated as a qualifying distribution, no tax credit will attach to the New Shares. However given that, in respect of qualifying distributions UK resident pension funds and charities are no longer able to claim payment from HMRC of tax credits attaching thereto, such shareholders will be unable to make a tax repayment claim whether an election to take New Shares is made or a cash dividend is taken.

Stamp duty and stamp duty reserve tax

No stamp duty or stamp duty reserve tax will be payable on the receipt of the New Shares.

