

Our Ref WGS/OGH/ALH/N00112/PF7

Letter to Investors: Structured Products, Income and/or Growth

Recovery and Reorganisation

Grant Thornton UK LLP
30 Finsbury Square
London EC2P 2YU

3 December 2009

Dear Sirs

NDF Administration Limited - In Administration (the Company)
Structured Products, Income and/or Growth

As you are aware, Martin Ellis and I were appointed as joint administrators of the Company on 14 October 2009. I now write with more specific details concerning your investment.

The value of your investment should not be affected by the insolvency of the Company.

Following my appointment, the Company's bank accounts were frozen whilst I complied with certain Financial Services Authority (FSA) rules governing client monies. I am pleased to confirm that, following a full reconciliation of client monies, during which no discrepancies or omissions were noted, the plans, with the consent of the FSA, can now be managed as normal.

Certain processes, which had been temporarily suspended following my appointment have now been re-instated. These include, but are not limited to, the payment of income (where applicable), the production of annual statements, processing of cancellation requests and the return of monies for plan cancellations. All processes are carried out in accordance with the same terms and conditions that existed prior to the commencement of the administration on 14 October 2009.

I have negotiated with Outsourced Professional Administration Limited (the plan administrator) that the administration of all plans will continue into the New Year. I am now in discussions with other parties who have expressed an interest in acting as plan manager for the products going forward. I am confident that this will secure the ongoing administration of the plans to maturity.

I will continue to run the helpline and website and will update the latter regularly with further information about how the insolvency is progressing and any further impacts on investors.

Chartered Accountants

Member firm within Grant Thornton International Ltd
Grant Thornton UK LLP is a limited liability partnership registered in England and Wales: No.OC307742. Registered office: Grant Thornton House, Melton Street, Euston Square, London NW1 2EP
A list of members is available from our registered office.

Grant Thornton UK LLP is authorised and regulated by the Financial Services Authority for investment business.

A list of personnel permitted by Grant Thornton to accept appointments as insolvency practitioners and of their respective authorising bodies may be inspected at the above address.

Dedicated helpline: 0844 770 2203

Website: <http://ndfa.creditorhelpline.co.uk>

Yours faithfully
for and on behalf of NDF Administration Limited

A handwritten signature in black ink, appearing to read 'A Hosking', with a horizontal line underneath.

Andrew Hosking
Joint Administrator

The affairs, business and property of NDF Administration Limited are being managed by Andrew Hosking and Martin Ellis, appointed as joint administrators on 14 October 2009.