



Our Ref WGS/OGH/ALH/N00112/PF7

## Letter to Investors: ISA Mortgage Plans

3 December 2009

Dear Sirs

Recovery and Reorganisation

Grant Thornton UK LLP  
30 Finsbury Square  
London EC2P 2YU

### **NDF Administration Limited - In Administration (the Company) ISA Mortgage Plans**

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.

Your investment should not have been affected by the insolvency of the Company and any insurance covers which your plan benefits from continue to remain in place. Investors do not need to take any action.

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, direct debit transfers, associated investments in unit trusts, investment trusts and open ended investment companies and the return of monies in respect of any plan redemptions. 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.

You should be aware that the cancellation of any direct debits may result in the cessation of any insurance covers included in the plans. As such, before cancelling any direct debit subscription, you should take advice on this matter.

I am continuing to seek interest from parties who wish to take on the role of plan manager in respect of these plans going forward. In the meantime, the commissions deducted from your regular subscription, in accordance with the terms and conditions of your product, are sufficient to meet the ongoing administration cost of the plans. Therefore, the Company is capable of acting as plan manager for the time being under my supervision. I am confident that a longer term solution to the ongoing plan management and administration of these plans will be secured.

#### **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.

I also remain in discussions with the insurance providers and the scheme administration providers to consider how to ensure the ongoing administration continues with no disruption to the investors.

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.

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', written over a horizontal line.

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.*