

Our Ref WGS/OGH/ALH/N00112/PF7

Letter to Investors: Defined Income Plan August 2009

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)
Defined Income Plan August 2009**

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.

As you may be aware the Defined Income Plan August 2009 did not proceed to investment. Under Financial Services Authority (FSA) rules the administration triggered a 'Primary Pooling Event'. This effectively meant all client accounts were frozen whilst I confirmed that all client monies were accounted for.

The tight timescales involved in progressing this plan following my appointment and the level of confirmation required to reconcile client monies at the time, meant that the investment could not commence. Furthermore, I, together with the FSA, believed that, in light of the administration of NDF (the plan manager), investors may have wished to reconsider their investment, as such progressing with the plans would have been unfair.

I am pleased to confirm that I have now completed the reconciliation process of the client accounts and have found no deficiencies or omissions.

Your investment will now be returned to you, either by cheque or to the originating bank account. Any ISA status monies which were transferred from another ISA investment may lose their ISA status if they are encashed and returned. Therefore we will return any such ISA monies to the original ISA Plan Manager unless you wish to provide an alternative ISA investment, or, you wish to encash the investment. Please write to the address below by 11 December 2009 with details of an alternate ISA investment or to notify of encashment.

NDF Administration Limited- In Administration
Administration Centre
PO Box 1007
St Albans
AL1 3AW

Please note, as stated above, that encashment could result in the loss of ISA tax status. You should take advice before opting for encashment.

Chartered Accountants

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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 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', 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.