

**JOINT ADMINISTRATORS APPOINTED AT NDF ADMINISTRATION LIMITED AND DEFINED RETURNS LIMITED**

Andrew Hosking and Martin Ellis, partners in Grant Thornton UK LLP, have been appointed Joint Administrators of NDF Administration Limited (“NDF”) and Defined Returns Limited (“DRL”) today at the request of the Directors.

NDF is engaged in the provision of structured financial products and ISA mortgages under its own brand: DRL also sells structured products, which are third party branded.

The decision to put the company into Administration follows the recognition of large potential contingent liabilities within the companies: both companies sold structured products which were backed by a security offered by Lehman Brothers – the insolvency of Lehman Brothers has left NDF and DRL open to potential claims from customers. Both the Financial Services Authority and the Financial Ombudsman Service have led investigations into this segment of the financial services industry.

Together both companies have 35,000 customers – however only around 10 per cent of these have invested in Lehman Brothers backed structured products.

Andy Hosking of Grant Thornton commented:

“We are committed to working with the FSA, the Financial Services Compensation Scheme (“FSCS”) and other bodies to help protect investors’ and creditors interests as well as the assets of NDF and DRL.”

“Our first priority is to confirm that investor funds have been segregated from those of NDF and DRL. Based on the limited current information we have seen to date we understand this to be the case, however we need to verify this. In the short term, whilst we undertake this review, investor cheques will not be banked. Furthermore investors will not be able to redeem their investments or receive income under their respective product plans until we have completed this review, which we hope will not take much time.”

“We will be offering the business and assets for sale – although we have currently suspended its operations we are keeping it fully staffed at the moment. These companies have been distinctly profitable - NDF was founded in 1985 - and it has successfully retailed structured products that have met investor requirements.”

The administration of the products is undertaken by Outsourced Professional Administration Limited (“OPAL”), a company that continues to trade normally. The administrators have secured assurances from OPAL that they will continue to administer the business into the New Year, an arrangement which will allow the Joint Administrators to liaise effectively with all investors.

The Joint Administrators will be writing an initial letter to all investors within one week and have set up a website at <http://ndfa.creditorhelpline.co.uk> and a helpline for investors at 0844 770 2203 with information and guidance. Investors are asked not to submit claims at this stage.

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**For further enquiries:**

**Bankside Consultants**

Simon Rothschild