QUARTER 2 2007

PRUDENTIAL

the BULLETIN

for Combined Nuclear Pension Plan

A QUARTERLY UPDATE ON YOUR PENSION FUND INVESTMENTS

Index Linked Passive Fund – Retirement Protection Fund – With-Profits Fund – Cash Fund – UK Equity Index Fund – 50/50 Global Equity Fund – World ex-UK Index Fund

MEMBER FACTSHEET

PRUDENTIAL M&G

Index-Linked Passive Fund (S3)

QUARTER ENDING 30.06.07

FUND DESCRIPTION

The Fund invests in British Government index-linked bonds (index-linked gilts) with over five years to go until they mature. The Fund is passively managed tracking movements in its benchmark FTSE British Government Over 5 Years Index-Linked All Stocks Index. Tracking this index is achieved by holding all of the small number of stocks involved in the same proportions as in the Index.

KEY FACTS

UNDERLYING FUND SIZE	**£147m**
NUMBER OF HOLDINGS	**10**
UNDERLYING LAUNCH DATE	**04.02.98**
PORTFOLIO MANAGER	**Michael Lack**
INVESTMENT STYLE	**Passive**

PERFORMANCE

12 MONTHS TO END JUNE

FUND	2007	2006	2005	2004	2003
Series 3 Fund Performance	1.6	3.6	11.0	3.4	10.2
Benchmark FTSE British Government > 5 Years Index-Linked All Stocks Index	1.5	3.5	10.8	3.3	9.9

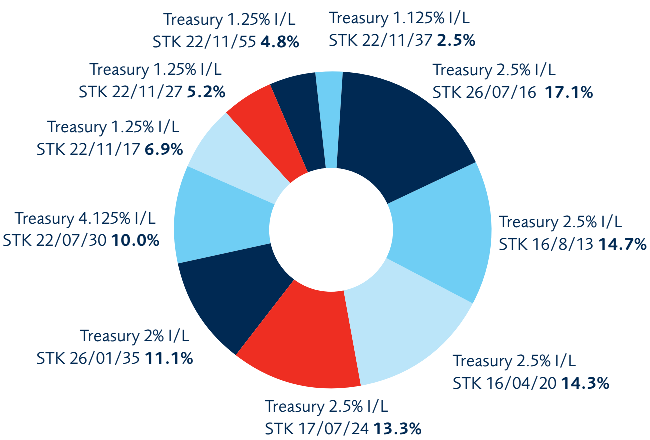
Percentage change in unit price. *Source: Prudential*

It is important to remember that past performance is not a guide to the future. The value of units can go down as well as up, and you may not get back your original investment.

COMMENTARY

- Rather like fixed interest government bonds, index-linked bonds fell during the quarter.
- Interest rates were raised to a six year high of 5.5% in May. Economic growth, employment data, the housing market and high street spending have all shown strength, exerting downward pressure on UK government bond prices.
- Although the inflation rate fell towards the end of the second quarter, the market remains concerned about both the pace of economic growth and inflation, which is still above the Bank of England's target rate of 2%.

FUND BREAKDOWN



Source: Prudential M&G

TOP 10 HOLDINGS

		%
1.	Treasury 2.5% I/L STK 26/07/16	**17.1**
2.	Treasury 2.5% I/L STK 16/8/13	**14.7**
3.	Treasury 2.5% I/L STK 16/04/20	**14.3**
4.	Treasury 2.5% I/L STK 17/07/24	**13.3**
5.	Treasury 2% I/L STK 26/01/35	**11.1**
6.	Treasury 4.125% I/L STK 22/07/30	**10.0**
7.	Treasury 1.25% I/L STK 22/11/17	**6.9**
8.	Treasury 1.25% I/L STK 22/11/27	**5.2**
9.	Treasury 1.25% I/L STK 22/11/55	**4.8**
10.	Treasury 1.125% I/L STK 22/11/37	**2.5**

All figures as at 30 June 2007, unless otherwise stated.

PRUDENTIAL RISK RATING:

MINIMAL **LOWER** LOWER TO MEDIUM MEDIUM MEDIUM TO HIGHER HIGHER

This Fund may be suitable if you want to take a more cautious approach to investment seeking a higher degree of protection against the effects of inflation and taking a lower level of risk while accepting a lower level of growth over the longer term. The Fund tracks UK government index-linked bonds (often known as index-linked gilts).

PRUDENTIAL M&G

Retirement Protection Fund (S1 & S3)

FUND DESCRIPTION

The Fund invests in British Government bonds (gilts) with over 15 years to go until their maturity. The Fund is passively managed tracking movements in its benchmark FTSE British Government Over 15 Years Gilt Index. Tracking this index is achieved by holding the all of the small number of stocks involved in the same proportions as in in the Index.

KEY FACTS

UNDERLYING FUND SIZE	**£527m**
NUMBER OF HOLDINGS	**9**
UNDERLYING LAUNCH DATE	**05.04.94**
PORTFOLIO MANAGER	**Michael Lack**
INVESTMENT STYLE	**Passive**

PERFORMANCE

	12 MONTHS TO END JUNE				
FUND	**2007**	**2006**	**2005**	**2004**	**2003**
Series 1 Fund Performance	–4.0	0.2	13.6	–0.9	8.4
Series 3 Fund Performance	–3.2	0.9	14.5	0.0	9.1
Benchmark FTSE British Government > 15 Years Gilt Index	–3.3	1.0	14.4	–0.1	9.1

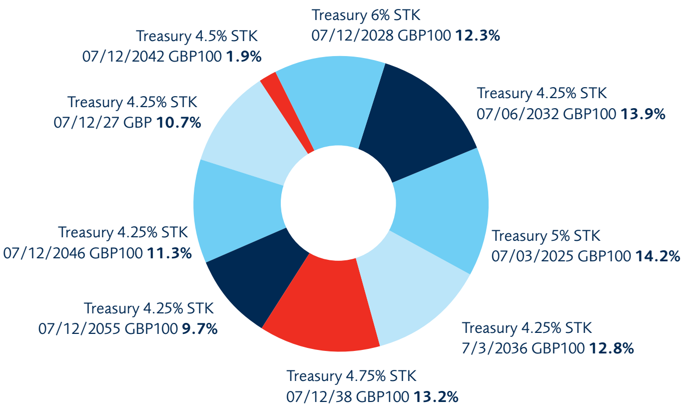
Percentage change in unit price. *Source: Prudential, Standard & Poor's Micropal*

It is important to remember that past performance is not a guide to the future. The value of units can go down as well as up, and you may not get back your original investment.

COMMENTARY

- The quarter saw a sharp fall in UK government bond prices. Inflation remained a concern: the Bank of England's preferred inflation measure rose above 3% which forced Governor, Mervyn King, to write a letter of explanation to Gordon Brown for the first time since the bank's independence in 1997.
- Interest rates were raised to a six-year high of 5.5% in May. Economic growth, employment data, the housing market and high street spending have all shown strength, exerting downward pressure on UK government bond prices.
- Although inflation fell during the latter part of the period, inflationary concerns remain and the market is expecting another rise in interest rates in the near future.

FUND BREAKDOWN



Source: Prudential M&G

HOLDINGS

	HOLDINGS	%
1.	Treasury 6% STK 07/12/2028 GBP100	**12.3**
2.	Treasury 4.25% STK 07/06/2032 GBP100	**13.9**
3.	Treasury 5% STK 07/03/2025 GBP100	**14.2**
4.	Treasury 4.25% STK 7/3/2036 GBP100	**12.8**
5.	Treasury 4.75% STK 07/12/38 GBP100	**13.2**
6.	Treasury 4.25% STK 07/12/2055 GBP100	**9.7**
7.	Treasury 4.25% STK 07/12/2046 GBP100	**11.3**
8.	Treasury 4.25% STK 07/12/27 GBP	**10.7**
9.	Treasury 4.5% STK 07/12/2042 GBP100	**1.9**

All figures as at 30 June 2007, unless otherwise stated.

PRUDENTIAL RISK RATING:

MINIMAL **LOWER** LOWER TO MEDIUM MEDIUM MEDIUM TO HIGHER HIGHER

Prudential believes there is a Lower risk of the value of this Fund going down as well as up over the shorter term. This Fund may be suitable for those investors nearing retirement who wish to protect their pension fund investments. By investing in long-term gilts, the Fund's performance is expected to broadly follow annuity rates, thus helping to protect your investment from potentially damaging volatility.

MEMBER FACTSHEET

PRUDENTIAL
With-Profits Fund

QUARTER ENDING

FUND DESCRIPTION

The Fund offers the prospect of competitive long-term real returns whilst smoothing the peaks and troughs of day-to-day market movements. Investment returns are passed to policyholders through bonuses. The Fund is invested in a diversified portfolio of UK and overseas shares, bonds, property and cash. A significant proportion of the Fund is invested in shares and property which can be expected to produce attractive long-term returns, but the return on these assets can be volatile and so the Fund is actively managed to optimise the returns while controlling risk.

KEY FACTS

FUND SIZE	**Over £71 billion (as at 31.12.06)**
SOLVENCY RATING*	**AA+**
PORTFOLIO MANAGER	**Martin Brookes**
INVESTMENT STYLE	**Prudent Active**

* Standard & Poors as at 09.07.07

PERFORMANCE

BONUS SERIES	1 YEAR	3 YEAR*	5 YEAR*	10 YEAR*
Unitised[L] With-Profits Returns	7.15%	9.65%	9.60%	7.25%
Unitised[N] With-Profits Returns	7.15%	9.65%	9.50%	7.10%
Cash Accumulation MPP With-Profits Returns	7.15%	9.65%	9.60%	7.25%
Cash Accumulation AVC With-Profits Returns	7.15%	9.65%	9.50%	7.00%

Source: Prudential *Annualised

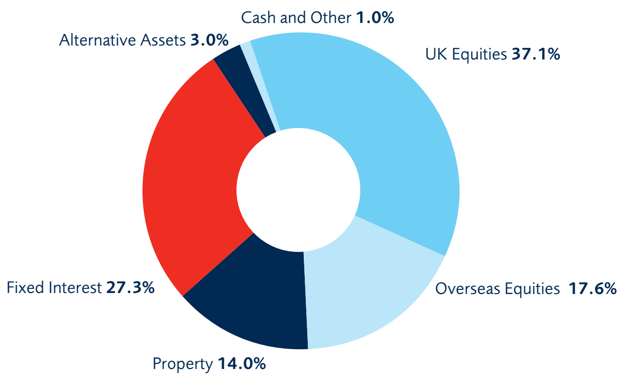
It is important to remember that past performance is not a guide to the future. The value of your investment can go down as well as up, and you may get less than you originally put in. Please bear in mind that inflation could also reduce the value of your plan and any growth from it.

For Prudential's With-Profits Fund, the rate of growth over a period will, in general, depend on when the contribution was paid. For the unitised returns above, it is assumed that the contribution was invested after any explicit charges on the 30th June 1,3,5 or 10 years ago and realised on or after 6th April 2007 to secure benefits at normal retirement date. For the Cash Accumulation returns above, it is assumed that 1, 3, 5 or 10 scheme revision dates ending after 15th March have passed since the contribution was invested. The table on page 2 provides an outline of which bonus series returns relate to which contract.

COMMENTARY

- The Fund benefited from strong equity and property returns over 2006. It remains well diversified but continues to expand into more specialised types of assets.
- After a sustained rise in share prices, the equity holdings were trimmed to consolidate gains before the short-lived market downturn in May. However, the fund remained well placed to take advantage of the equity market rally during the second half of 2006.
- After several years of exceptional performance from UK commercial property, future returns remain under pressure. Therefore, the Fund has continued to increase its investments in overseas commercial property.
- Towards the end of 2006, the Fund's bond portfolio was re-positioned slightly to reduce the impact of risks which might arise from a possible slowdown in global economic growth.

FUND BREAKDOWN (AS AT 30.06.07)



Source: Prudential

All figures as at 30 June 2007, unless otherwise stated.

PRUDENTIAL RISK RATING:

MINIMAL LOWER **LOWER TO MEDIUM** MEDIUM MEDIUM TO HIGHER HIGHER

Prudential believes there is a Lower to Medium risk of variations in the value of this Fund's underlying assets over the shorter term (see page 2). This Fund may be suitable for those investors that consider it important to maintain a broad spread of investments across their pension fund portfolio while smoothing the peaks and troughs of day-to-day market movements. This is provided through bonus system and the Fund's diverse investments in both UK and overseas shares and bonds, commercial property and cash.

PRUDENTIAL M&G
Cash Fund (S1 & S3)

QUARTER ENDING 30.06.07

FUND DESCRIPTION

The Fund invests in both high quality Floating Rate Notes (FRNs) and short-term deposits. The Fund is actively managed with the aim of beating its benchmark of the London Interbank 7 Day Deposit Rate. The financial instruments held in the Fund are issued by well known banks and leading financial institutions.

KEY FACTS

UNDERLYING FUND SIZE	**£213m**
UNDERLYING NUMBER OF HOLDINGS	**71**
UNDERLYING LAUNCH DATE	**31.04.82**
PORTFOLIO MANAGER	**Claire Bews**
INVESTMENT STYLE	**Prudent Active**

PERFORMANCE

	12 MONTHS TO END JUNE				
FUND	**2007**	**2006**	**2005**	**2004**	**2003**
Series 1 Fund Performance	4.5	3.9	4.4	3.8	3.5
Series 3 Fund Performance	5.4	4.6	5.3	4.6	4.3
Benchmark LIBID 7 Day Deposit Rate	5.2	4.6	4.8	3.8	3.9

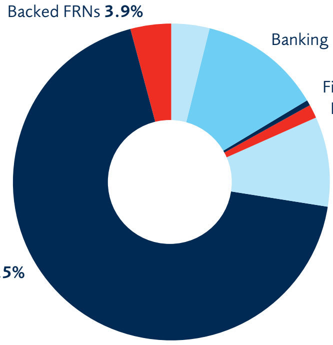
Percentage change in unit price. *Source: Prudential, Standard & Poor's Micropal*

It is important to remember that past performance is not a guide to the future. The value of units can go down as well as up, and you may not get back your original investment.

COMMENTARY

- Inflation remained a concern over the quarter: the Bank of England's preferred inflation measure rose above 3% which forced Governor, Mervyn King, to write a letter of explanation to Gordon Brown for the first time since the bank's independence in 1997.
- Interest rates were raised to a six year high of 5.5% in May. Economic growth, employment data, the housing market and high street spending have all shown strength and the market has priced in two further rises in interest rates before the end of 2007.
- Holdings in Floating Rate Notes (FRNs) helped performance over the quarter. Mortgage and asset-backed FRNs typically offer higher yields than standard FRNs because many are not so well researched and are therefore less efficiently priced. The fund is able to draw on the expertise of three analysts who are dedicated to researching this specialist area.
- The Fund continues to hold deposits with a relatively long time to go until they mature, since they offer an attractive yield compared to deposits with a shorter term.

FUND BREAKDOWN



TOP 10 HOLDINGS

		%
1.	Nationwide B/S FRN 06/2010	1.1
2.	Bluestone FRN 06/2044	1.0
3.	Commonwealth Bank of Australia FRN 01/06/2010	1.0
4.	Citigroup FRN 03/2009	1.0
5.	Santander FRN 07/2011	1.0
6.	Permanent Finance No.9 FRN 06/2042	0.9
7.	Leek Finance No.17 FRN 12/2037	0.9
8.	Dunfermline B/S 03/2009	0.9
9.	Metro Life FRN 20/2011	0.9
10.	Mansard Mortgages 06-1 FRN 10/2048	0.8

Source: Prudential M&G

All figures as at 30 June 2007, unless otherwise stated.

PRUDENTIAL RISK RATING:

MINIMAL LOWER LOWER TO MEDIUM MEDIUM MEDIUM TO HIGHER HIGHER

This Fund may be suitable if you want to take a minimal level of risk either on the part of your fund you can take as a lump sum at retirement or as a short-term measure while you are re-arranging your savings and are prepared to accept a modest level of growth over the longer term. The Fund invests in a variety of short-term bank deposits and other financial instruments giving a higher level of capital security than shares or bonds.

BARCLAYS GLOBAL INVESTORS AQUILA

UK Equity Index Fund (S3)

FUND DESCRIPTION

This Fund is passively managed and invests in the shares of UK companies aiming to achieve a return that is consistent with the return of the Index. The benchmark is the FTSE All-Share Index. Tracking is achieved by full replication of the Index.

KEY FACTS

UNDERLYING FUND SIZE	**£20,091m**
UNDERLYING SECTOR FUNDS	**711**
UNDERLYING FUND LAUNCH DATE	**01.09.94**
PORTFOLIO MANAGER	**Team Approach**
INVESTMENT STYLE	**Passive**

PERFORMANCE

12 MONTHS TO END JUNE

FUND	2007	2006	2005	2004	2003
Series 3 Fund Performance	18.5	19.7	18.7	18.1	–11.0
Benchmark FTSE All-Share Index	18.4	19.7	18.8	16.9	–9.7

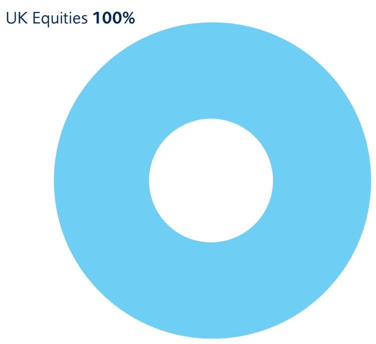
Percentage change in unit price. *Source: Prudential*

It is important to remember that past performance is not a guide to the future. The value of units can go down as well as up, and you may not get back your original investment.

COMMENTARY

- UK corporate bonds outperformed the government market over the quarter as a whole.
- Some of the gains made in April and May were given back in June, following fears over the mortgage market in the US. This led to increased demand for government bonds rather than company bonds.
- The fund participated in 35 new issues during the quarter, including bonds from GlaxoSmithKline, United Parcel, British Telecom Plc, Linde Finance BV, BSkyB and the European Investment Bank.

FUND BREAKDOWN



TOP 10 HOLDINGS

		%
1	BP	6.1
2	HSBC	5.6
3	Vodafone	4.6
4	GlaxoSmithKline	3.9
5	Royal Dutch Shell PlcA	3.9
6	Royal Bank Of Scotland	3.1
7	Royal Dutch Shell Plc-B	3.0
8	Barclays	2.4
9	Anglo American	2.1
10	AstraZeneca	2.1

Source: BGI *All figure as at 30 June 2007, unless otherwise stated.*

PRUDENTIAL RISK RATING:

MINIMAL LOWER LOWER TO MEDIUM MEDIUM MEDIUM TO HIGHER **HIGHER**

Prudential believes there is a Higher risk of the value of this Fund going down as well as up over the shorter term. This Fund offers you access to a range of UK shares. It may be suitable if you are some way from retirement and are prepared to accept a higher level of risk in expectation of higher long-term growth. For those seeking less volatility, a combination of this fund with a bond fund may be more appropriate.

BARCLAYS GLOBAL INVESTORS AQUILA
(50/50) Global Equity Index Fund (S3)

FUND DESCRIPTION

The Fund invests in both the UK and overseas shares. The Fund has approximately 50% invested in the shares of UK companies and the remaining 50% invested in the shares of overseas companies, split between the US, Europe ex-UK, Japan and Pacific Rim. The Fund aims to provide returns consistent with the markets in which it invests.

KEY FACTS

UNDERLYING FUND SIZE	**£2,602m**
UNDERLYING SECTOR FUNDS	**5**
UNDERLYING FUND LAUNCH DATE	**31.07.02**
PORTFOLIO MANAGER	**Team Approach**
INVESTMENT STYLE	**Passive**

PERFORMANCE

12 MONTHS TO END JUNE

FUND	2007	2006	2005	2004	2003
Series 3 Fund Performance	18.0	N/A	N/A	N/A	N/A
Benchmark 50% FTSE All-Share Index: 50% Overseas Equities	17.7	N/A	N/A	N/A	N/A

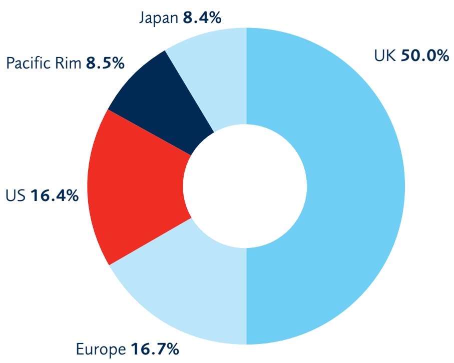
Percentage change in unit price. *Source: Prudential*

It is important to remember that past performance is not a guide to the future. The value of units can go down as well as up, and you may not get back your original investment.

COMMENTARY

- During the quarter, the international economy remained buoyant.
- Companies in the UK and Europe appeared strong, while they were recovering in the US.
- However, consumers were less active against a background of higher interest payments, which were still increasing in Europe.
- Several housing markets, including the US and parts of Europe, were in decline and others may follow, which had implications for consumer spending around the world.
- Meanwhile, the Chinese economy continued to boom.

FUND BREAKDOWN



TOP HOLDINGS

		%
1	BGI Aq Life UK Eq I Sc1	50.0
2	BGI Aq Life Eu Eq I Sc1	16.7
3	BGI Aq Life US Eq Idx Sc1	16.4
4	BGI Aq Life P Rim Eq I Sc1	8.5
5	BGI Aq Life M Jap Eq I Sc1	8.4

Source: BGI *All figure as at 30 June 2007, unless otherwise stated.*

PRUDENTIAL RISK RATING:

MINIMAL LOWER LOWER TO MEDIUM MEDIUM **MEDIUM TO HIGHER** HIGHER

Prudential believes there is a Medium to Higher risk of the value of this Fund going down as well as up over the shorter term. This Fund invests in international shares (excluding the UK). The level of risk is helped by its geographic spread as well as by the number of stocks held. It may be suitable if you are some way from retirement and are prepared to accept a higher level of risk in expectation of higher long-term growth.

BARCLAYS GLOBAL INVESTORS AQUILA

World Ex-UK Index Fund (S3)

FUND DESCRIPTION

The Fund invests in shares of overseas companies in proportion to the market capitalisation of each market in the FTSE All-World Developed ex-UK Index. Within each of those markets, the Fund aims to generate returns consistent with those of each country's primary share market.

KEY FACTS

UNDERLYING FUND SIZE	**£1,280m**
UNDERLYING SECTOR FUNDS	**5**
UNDERLYING FUND LAUNCH DATE	**30.09.99**
PORTFOLIO MANAGER	**Team Approach**
INVESTMENT STYLE	**Passive**

PERFORMANCE

12 MONTHS TO END JUNE

FUND	2007	2006	2005	2004	2003
Series 3 Fund Performance	14.4	N/A	N/A	N/A	N/A
Benchmark FTSE All-World (Developed) ex-UK Index	14.1	N/A	N/A	N/A	N/A

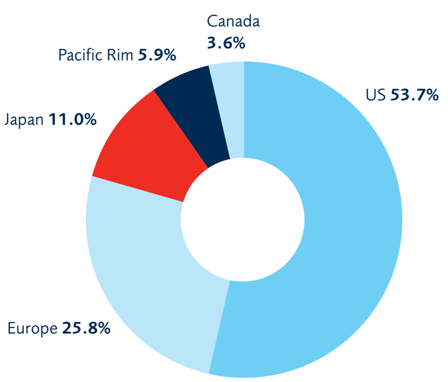
Percentage change in unit price. *Source: Prudential*

It is important to remember that past performance is not a guide to the future. The value of units can go down as well as up, and you may not get back your original investment.

COMMENTARY

- During the quarter, the international economy remained buoyant.
- Companies in the UK and Europe appeared strong, while they were recovering in the US.
- However, consumers were less active against a background of higher interest payments, which were still increasing in Europe. Several housing markets, including the US and parts of Europe, were in decline and others may follow, which had implications for consumer spending around the world.
- Meanwhile, the Chinese economy continued to boom.

FUND BREAKDOWN



TOP HOLDINGS

		%
1	BGI Aq Life US Eq Idx Sc1	53.7
2	BGI Aq Life Eu Eq I Sc1	25.8
3	BGI Aq Life M Jap Eq I Sc1	11.0
4	BGI Aq Life P Rim Eq I Sc1	5.9
5	BGI Aq Life Ca Eq Idx Sc1	3.6

Source: BGI *All figure as at 30 June 2007, unless otherwise stated.*

PRUDENTIAL RISK RATING:

MINIMAL LOWER LOWER TO MEDIUM MEDIUM **MEDIUM TO HIGHER** HIGHER

Prudential believes there is a Medium to Higher risk of the value of this Fund going down as well as up over the shorter term. This Fund invests in international shares (excluding the UK). The level of risk is helped by its geographic spread as well as by the number of stocks held. It may be suitable if you are some way from retirement and are prepared to accept a higher level of risk in expectation of higher long-term growth.

Regulatory Wording

Who are these factsheets for?
- These Factsheets are intended for members of occupational pension schemes using Prudential group pension contracts and members of Prudential Grouped Personal Pension and Stakeholder Pension contracts.
- These factsheets report to members upon the investment management of the Fund during the quarter.

Can I get advice?
- These factsheets are provided for information purposes only. Any change to your investment arrangements should be discussed with your adviser.
- The commentaries in these factsheets reflects the general views of the individual fund managers and should not be taken as a recommendation or advice as to how a specific market or fund is likely to perform.

How are the performance figures calculated?
- Performance is measured on an offer price to offer price basis.
- For the purposes of comparison with the benchmark we have used unit prices with the closest valuation point to that of the benchmark, taking into consideration the relevant dealing cycle.
- To obtain current unit price and performance information for all funds in the Prudential Fund range, simply log on to www.pru.co.uk/fundprices and choose 'Pension Funds' and then select Group Pensions (Series 3).

How are Fund prices calculated?
- The Series 3 Funds operate on a single swinging price basis. Although we create both a bid and offer price, the pricing basis on which units in the Fund are transacted is dependent upon the cash flow into/out of the Fund on any day. This is also the price that is published.
- Changes in the rate of exchange between currencies may cause the value of the Fund to go down or up.

What is the dealing cycle?
- The Pensions Series 3 fund range is forward priced which means that the unit price is set after money is invested.
- Funds managed by BGI have a dealing cycle of T+2. This means that money received on day T buys units in the parent fund at the valuation date price applicable at close of business 2 days later.
- Funds Managed by Prudential M&G have a dealing cycle of T+0. This means that money received on day T buys units in the parent fund at the valuation date price applicable at the close of business on the same day.

What is the risk rating?
- The risk ratings reflect the expected short-term volatility in the Funds' values.
- The risk ratings have been developed by Prudential for these funds. They should not be viewed as generic descriptions across the fund management industry. The ratings are reviewed periodically and may change in the future.
- There are a variety of investment risks facing you during your pension scheme membership including inflation, changing annuity costs and volatility in fund values. The importance of each type of risk will vary from person to person and from time to time.
- You should discuss the investment risks facing you and the appropriateness of these risk ratings with your adviser.

Are there any special conditions for With-Profits?
- The rates of future bonus in the With-Profits Fund cannot be guaranteed. Final bonus may vary and is not guaranteed. If money invested in the With-Profits Fund is taken out at any time except on death or normal retirement date, the amount payable may be reduced to reflect the market value of the underlying assets at that time. This is known as a Market Value Reduction.
- For the With-Profits Fund, we deduct a charge through the bonus mechanism. This is currently expected to be 1% a year assuming future investment returns in the With-Profits Fund are 7% a year.
  Charges on With-Profits business depend on the performance of the With-Profits Fund and, in particular, the investment returns achieved and expenses incurred. Over time if returns are higher then we would expect to increase the charge and if investment returns are lower we would expect to reduce the charge.
- There is a charge to pay for all the guarantees the With-Profits Fund supports. We guarantee to not take away regular bonuses already added when a payment is made because of death and at your selected pension age and to only apply a Market Value Reduction in certain circumstances. This charge will be taken by making a small deduction each year when deciding Regular and Final Bonuses, so you will not see it on any yearly statement. The total deduction over the lifetime of the Plan is not currently more than 2% of any payment made from the Fund. The amount of this charge will be reviewed from time to time.

Who manages the Funds?
- All the Series 3 Funds are Prudential Funds.
- Prudential has delegated the investment management of these funds to either Prudential M&G or various fund managers outside the Prudential.

Which Prudential companies are involved and how are they regulated?
- Issued by Prudential plc.
- "Prudential" is a trading name of The Prudential Assurance Company Limited (which is also used by other companies within the Prudential group of companies). The Prudential Assurance Company Limited is registered in England and Wales. Registered Office at Laurence Pountney Hill, London, EC4R 0HH. Registered number 15454.
- Authorised and regulated by the Financial Services Authority.
- Prudential M&G is a trading name of Prudential Pensions Limited and M&G Investment Management Limited whose business addresses are at Laurence Pountney Hill, London EC4R 0HH and Prudential Property Investment Managers Limited whose business address is Princeton House, 271-273 High Holborn, London WC1V 7NE. Part of Prudential plc.
- Prudential Pensions Limited and M&G Investment Management Limited are authorised and regulated by the Financial Services Authority.

- If this Fund invests in property and land. This can be difficult to sell – so you may not be able to sell/cash in this investment when you want to. We may have to delay acting on your instructions to sell your investment. You should look upon your investment in property as being long term. There are large costs, mainly Stamp Duty Land Tax, which we incur when buying and selling property. The allowance for these costs amongst other factors can lead to short-term falls in the price of units in the Property Fund. The value of property is generally a matter of a Valuer's opinion rather than fact. Under certain circumstances, in the interest of other investors, we reserve the right to defer any early encashment or switch between funds. This may be for a period of up to 6 months in the case of units held in the Property Fund.

- Exchange Rate Risk – exchange rate fluctuations may cause the Sterling values of overseas investments to rise or fall.

BTBS10274 09/2007