

Announcement to investors in products not backed by Lehman Brothers.

Arc Capital and Income plc (in administration) ("ACI")

Your investments and your moneys are safe

Robin Davis, Melvyn Carter and John Alexander of Carter Backer Winter LLP ("CBW") were appointed Joint Administrators of Arc Capital and Income plc (in administration) ("ACI") on 26 October 2009.

Following the appointment of CBW, the business has effectively been suspended other than for the administration of existing plans.

The appointment of the Joint Administrators should not affect the value of any investments made in ACI products and, for the time being, they will continue to be administered by your existing plan manager.

CBW will work with the Financial Services Authority ("FSA"), and other relevant bodies to help protect your interests as well as the assets of ACI.

The priority is to confirm that investors' interests have been segregated from those of ACI. Based on the limited information the administrators have accessed thus far, it is understood that this is the case. In due course, this will need to be confirmed.

The Joint Administrators' hope is to sell the business to another plan manager who would take over the management of these plans.

All investors will be contacted shortly by the Joint Administrators.

Investors do not need to take any action at this stage.

The Joint Administrators will provide updates on the website <http://www.cbw.co.uk/arc.html> when there is new information to report. The website includes a "Frequently Asked Questions" section for investors. There is also a helpline for investors - 0844 880 6511.