

2009 Report from the With Profits Actuary to With Profits Policyholders

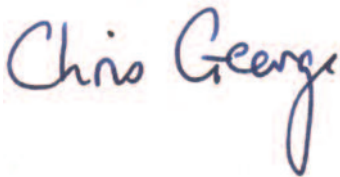
Firms offering With Profits policies must appoint a With Profits Actuary (“WPA”) to advise on the management of that business, and particularly on the exercise of discretion in relation to that business.

I have been appointed by MGM Advantage to act as WPA and held this appointment throughout 2009. I was an employee of Watson Wyatt Limited, a firm of actuarial consultants, until 31 October 2009 and from 1 November 2009 I have been employed directly by MGM Advantage. I am not a policyholder or member of MGM Advantage.

MGM Advantage produce an annual report to With Profits policyholders stating whether it believes that it has complied with its Principles and Practices of Financial Management and setting out reasons for that belief. I have been provided with a copy of that report and with supporting information and explanation. I have also taken into account, where relevant, the rules and guidance issued by the Financial Services Authority on treating With Profits policyholders fairly.

As WPA I am required to add my report on the exercise of discretion to that produced by MGM Advantage.

In my opinion MGM Advantage has exercised discretion over 2009 in a way that may be regarded as taking, or having taken, the interests of With Profits policyholders into account in a reasonable and proportionate manner.



C M George
Fellow of the Institute of Actuaries and With Profits Actuary to MGM Advantage
24 March 2010

