

MGM Fixed Interest Fund

| | |
|-----------------------|--|
| Latest Fund Size*: | £166.2m as at 31 March 2010 |
| Launch Date: | 27 July 1983 |
| Current Fund Manager: | BlackRock Investment Managers |
| Sector: | (ABI-P) UK Fixed Interest |
| Benchmark: | 20% FTSE Actuaries All Stock Gilt Index 80% Merrill Lynch Sterling Non Gilt Index (UN 00) |
| Risk rating/level: | Moderate |
| AMC: | 0.80% Life / 1.05% Pension |

The MGM Fixed Interest Fund might appeal to policyholders prepared to accept a moderate degree of risk, who are looking for greater income and growth than that offered by deposit based investments and who are prepared to accept the volatility associated with debt markets.

This Fund invests in a portfolio of readily marketable fixed interest securities, including UK Government stocks (Gilts), local authority bonds, Eurosterling bonds and other corporate debt issues. While the investments are predominantly Sterling denominated, a small part of the Fund may be invested in overseas debt markets. As with equities, the capital value of bonds fluctuates over time and before choosing this Fund you need to make sure that you have a clear understanding of its nature and are sure that it meets your investment objectives. As with the equity funds, it may not be appropriate for policies nearing maturity.

*The latest Fund size shown above is the aggregate of all direct and indirect holdings, and may include investments made through the **MGM Managed Fund**, staff pension plan, conventional and unitised with profits funds.

Past performance figures**LIFE FUND (Percentage Growth Rate (%), rolling 12 month basis)**

| | Quarter 4 2009 end Quarter 1 2010 | Quarter 4 2008 end Quarter 1 2009 | Quarter 4 2007 end Quarter 1 2008 | Quarter 4 2006 end Quarter 1 2007 | Quarter 4 2005 end Quarter 1 2006 |
|-------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| Fund | 19.21 | -6.36 | -0.69 | 1.05 | 4.20 |

PENSION FUND (Percentage Growth Rate (%), rolling 12 month basis)

| | Quarter 4 2009 end Quarter 1 2010 | Quarter 4 2008 end Quarter 1 2009 | Quarter 4 2007 end Quarter 1 2008 | Quarter 4 2006 end Quarter 1 2007 | Quarter 4 2005 end Quarter 1 2006 |
|-------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| Fund | 24.2 | -7.82 | -0.34 | 1.16 | 5.30 |

Important: The above information shows performance for five complete 12 month periods to 31 March each year.

Source: MGM Advantage; Financial Express Analytics; Calculation basis, bid-bid, UK Basic Rate Taxpayer (Life Fund), UK Pension Fund tax (Pension Fund).

The figures above show the performance of the fund only. They do not reflect the actual value of your policy as charges specific to the policy are not taken into account. These are described in the personal illustration that would have been issued when the product was effected. Please remember that past performance is not necessarily a guide to the future and the fund value of an investment is not guaranteed and may fluctuate.

Top Ten Holdings**Yield****Maturity Date**

| | | | |
|----|---------------------|--------|------------|
| 1 | GBP Fwd FX Contract | | 03/06/2010 |
| 2 | TREASURY GILT | 4 1/4% | 07/09/2039 |
| 3 | TREASURY STOCK | 6% | 07/12/2028 |
| 4 | TREASURY GILT | 4 1/4% | 07/12/2027 |
| 5 | INTER.AMER.DEV.BK | 9 3/4% | 13/05/2013 |
| 6 | TREASURY GILT | 2 1/4% | 07/03/2014 |
| 7 | EIB | 4 1/2% | 07/06/2029 |
| 8 | US Fwd FX Contract | | 03/06/2010 |
| 9 | EIB | 5 3/8% | 07/06/2021 |
| 10 | BUPA Finance | 6 1/8% | PERPETUAL |

Geographical Split

| | |
|---------------|-----|
| Europe | 24% |
| Pacific | 4% |
| UK | 66% |
| North America | 6% |

Telephone calls may be recorded for training and quality monitoring purposes. **MGM Assurance Group, Marine and General Mutual Life Assurance Society*** Registered no. 00000006 is authorised and regulated by the Financial Services Authority. MGM Assurance (Trustees) Limited* Registered no. 1279948. **MGM Advantage, Designs for Retirement, MGM Assurance**, and the **MGM** logo are Trade Marks of **Marine and General Mutual Life Assurance Society**. All companies registered in England and Wales. *Registered office MGM House, Heene Road, Worthing, West Sussex, BN11 3AT.