

Scottish Amicable Life Plc

Annual FSA Insurance Returns for the year ended

31 December 2006

Appendices (9.1, 9.4 & 9.6)

Registered Office: P O Box 25, Craigforth, Stirling, FK9 4UE

Registered No 171130

Scottish Amicable Life Plc

Year ended 31 December 2006

Contents

	Page	
Appendix 9.1		
Form 2	Statement of solvency - long term insurance business	3
	Covering sheet to Form 2	4
Form 3	Components of capital resources	5
Form 13	Analysis of admissible assets	8
Form 15	Liabilities (other than long term insurance business)	11
Form 16	Profit and loss account (non-technical account)	12
Appendix 9.4		
	Long term insurance valuation report – Rule 9.31	13
Appendix 9.6		
	Notes to the Return	16
	Directors' Certificate – Rule 9.34	18
	Auditors' Report – Rule 9.35	19
	Additional information on Derivative Contracts - Rule 9.29	22
	Additional information on Controllers – Rule 9.30	23

Statement of solvency - long-term insurance businessName of insurer **Scottish Amicable Life Plc**

Global business

Financial year ended **31 December 2006**

Solo solvency calculation

	Company registration number	GL/ UK/ CM	day month year			Units	
	R2	171130	GL	31	12	2006	£000
				As at end of this financial year		As at end of the previous year	
				1		2	

Capital resources

Capital resources arising within the long-term insurance fund	11			
Capital resources allocated towards long-term insurance business arising outside the long-term insurance fund	12		3646	3386
Capital resources available to cover long-term insurance business capital resources requirement (11+12)	13		3646	3386

Guarantee fund

Guarantee fund requirement	21		2139	2030
Excess (deficiency) of available capital resources to cover guarantee fund requirement	22		1507	1356

Minimum capital requirement (MCR)

Long-term insurance capital requirement	31			
Resilience capital requirement	32			
Base capital resources requirement	33		2139	2030
Individual minimum capital requirement	34		2139	2030
Capital requirements of regulated related undertakings	35			
Minimum capital requirement (34+35)	36		2139	2030
Excess (deficiency) of available capital resources to cover 50% of MCR	37		2577	2371
Excess (deficiency) of available capital resources to cover 75% of MCR	38		2042	1864

Enhanced capital requirement

With-profits insurance capital component	39			
Enhanced capital requirement	40			2030

Capital resources requirement (CRR)

Capital resources requirement (greater of 36 and 40)	41		2139	2030
Excess (deficiency) of available capital resources to cover long-term insurance business CRR (13-41)	42		1507	1356

Contingent liabilities

Quantifiable contingent liabilities in respect of long-term insurance business as shown in a supplementary note to Form 14	51			
--	-----------	--	--	--

Covering Sheet to Form 2

Form 2

Name of insurer **Scottish Amicable Life Plc**

Global business

Financial year ended **31 December 2006**

_____ **N E T PRETTEJOHN** **Chief Executive**

_____ **D J BELSHAM** **Director**

_____ **K NUNN** **Director**

Date **22nd March 2007**

Components of capital resourcesName of insurer **Scottish Amicable Life Plc**

Global business

Financial year ended **31 December 2006**

	Company registration number	GL/ UK/ CM	day	month	year	Units	
	R3	171130	GL	31	12	2006	£000
		General insurance business	Long-term insurance business	Total as at the end of this financial year		Total as at the end of the previous year	
		1	2	3		4	

Core tier one capital

Permanent share capital	11		3000	3000	3000
Profit and loss account and other reserves	12		646	646	594
Share premium account	13				
Positive valuation differences	14				
Fund for future appropriations	15				
Core tier one capital in related undertakings	16				
Core tier one capital (sum of 11 to 16)	19		3646	3646	3594

Tier one waivers

Unpaid share capital / unpaid initial funds and calls for supplementary contributions	21				
Implicit Items	22				
Tier one waivers in related undertakings	23				
Total tier one waivers as restricted (21+22+23)	24				

Other tier one capital

Perpetual non-cumulative preference shares as restricted	25				
Perpetual non-cumulative preference shares in related undertakings	26				
Innovative tier one capital as restricted	27				
Innovative tier one capital in related undertakings	28				

Total tier one capital before deductions (19+24+25+26+27+28)	31		3646	3646	3594
Investments in own shares	32				
Intangible assets	33				
Amounts deducted from technical provisions for discounting	34				
Other negative valuation differences	35				
Deductions in related undertakings	36				
Deductions from tier one (32 to 36)	37				
Total tier one capital after deductions (31-37)	39		3646	3646	3594

Components of capital resourcesName of insurer **Scottish Amicable Life Plc**

Global business

Financial year ended **31 December 2006**

	Company registration number	GL/ UK/ CM	day	month	year	Units	
	R3	171130	GL	31	12	2006	£000
		General insurance business	Long-term insurance business	Total as at the end of this financial year		Total as at the end of the previous year	
		1	2	3		4	

Tier two capital

Implicit items, (tier two waivers and amounts excluded from line 22)	41					
Perpetual non-cumulative preference shares excluded from line 25	42					
Innovative tier one capital excluded from line 27	43					
Tier two waivers, innovative tier one capital and perpetual non-cumulative preference shares treated as tier two capital (41 to 43)	44					
Perpetual cumulative preference shares	45					
Perpetual subordinated debt and securities	46					
Upper tier two capital in related undertakings	47					
Upper tier two capital (44 to 47)	49					

Fixed term preference shares	51					
Other tier two instruments	52					
Lower tier two capital in related undertakings	53					
Lower tier two capital (51+52+53)	59					

Total tier two capital before restrictions (49+59)	61					
Excess tier two capital	62					
Further excess lower tier two capital	63					
Total tier two capital after restrictions, before deductions (61-62-63)	69					

Components of capital resourcesName of insurer **Scottish Amicable Life Plc**

Global business

Financial year ended **31 December 2006**

	Company registration number	GL/ UK/ CM	day month year			Units	
	R3	171130	GL	31	12	2006	£000
			General insurance business 1	Long-term insurance business 2	Total as at the end of this financial year 3		Total as at the end of the previous year 4

Total capital resources

Positive adjustments for regulated non-insurance related undertakings	71					
Total capital resources before deductions (39+69+71)	72			3646	3646	3594
Inadmissible assets other than intangibles and own shares	73					
Assets in excess of market risk and counterparty limits	74					208
Deductions for related ancillary services undertakings	75					
Deductions for regulated non-insurance related undertakings	76					
Deductions of ineligible surplus capital	77					
Total capital resources after deductions (72-73-74-75-76-77)	79			3646	3646	3386

Available capital resources for PRU tests

Available capital resources for guarantee fund requirement	81			3646	3646	3386
Available capital resources for 50% MCR requirement	82			3646	3646	3386
Available capital resources for 75% MCR requirement	83			3646	3646	3386

Financial engineering adjustments

Implicit items	91					
Financial reinsurance - ceded	92					
Financial reinsurance - accepted	93					
Outstanding contingent loans	94					
Any other charges on future profits	95					
Sum of financial engineering adjustments (91+92-93+94+95)	96					

Analysis of admissible assetsName of insurer **Scottish Amicable Life Plc**

Global business

Financial year ended **31 December 2006**Category of assets **Total other than long term insurance business assets**

	Company registration number	GL/UK/CM	day	month	year	Units	Category of assets	
	R13	171130	GL	31	12	2006	£000	1
						As at end of this financial year	As at end of the previous year	
						1	2	
Land and buildings			11					

Investments in group undertakings and participating interests

UK insurance dependants	Shares	21		
	Debts and loans	22		
Other insurance dependants	Shares	23		
	Debts and loans	24		
Non-insurance dependants	Shares	25		
	Debts and loans	26		
Other group undertakings	Shares	27		
	Debts and loans	28		
Participating interests	Shares	29		
	Debts and loans	30		

Other financial investments

Equity shares	41		
Other shares and other variable yield participations	42		
Holdings in collective investment schemes	43		
Rights under derivative contracts	44		
Fixed interest securities	Approved	45	2121
	Other	46	
Variable interest securities	Approved	47	
	Other	48	
Participation in investment pools	49		
Loans secured by mortgages	50		
Loans to public or local authorities and nationalised industries or undertakings	51		
Loans secured by policies of insurance issued by the company	52		
Other loans	53		
Bank and approved credit & financial institution deposits	One month or less withdrawal	54	1403
	More than one month withdrawal	55	1395
Other financial investments	56		
Deposits with ceding undertakings	57		
Assets held to match linked liabilities	Index linked	58	
	Property linked	59	

Analysis of admissible assetsName of insurer **Scottish Amicable Life Plc**

Global business

Financial year ended **31 December 2006**Category of assets **Total other than long term insurance business assets**

Company registration number	GL/UK/CM	day	month	year	Units	Category of assets	
R13	171130	GL	31	12	2006	£000	1
					As at end of this financial year	As at end of the previous year	
					1	2	

Reinsurers' share of technical provisions

Provision for unearned premiums	60		
Claims outstanding	61		
Provision for unexpired risks	62		
Other	63		

Debtors and salvage

Direct insurance business	Policyholders	71		
	Intermediaries	72		
Salvage and subrogation recoveries		73		
Reinsurance	Accepted	74		
	Ceded	75		
Dependants	due in 12 months or less	76		
	due in more than 12 months	77		
Other	due in 12 months or less	78		
	due in more than 12 months	79		

Other assets

Tangible assets	80		
Deposits not subject to time restriction on withdrawal with approved institutions	81	131	1999
Cash in hand	82		
Other assets (particulars to be specified by way of supplementary note)	83		
Accrued interest and rent	84	3	4
Deferred acquisition costs (general business only)	85		
Other prepayments and accrued income	86		

Deductions from the aggregate value of assets	87		
---	-----------	--	--

Grand total of admissible assets after deduction of market risk and counterparty limits (11 to 86 less 87)	89	3658	3398
--	-----------	------	------

Analysis of admissible assetsName of insurer **Scottish Amicable Life Plc**

Global business

Financial year ended **31 December 2006**Category of assets **Total other than long term insurance business assets**

Company registration number	GL/UK/CM	day	month	year	Units	Category of assets	
R13	171130	GL	31	12	2006	£000	1
					As at end of this financial year	As at end of the previous year	
					1	2	

Reconciliation to asset values determined in accordance with the insurance accounts rules or international accounting standards as applicable to the firm for the purpose its external financial reporting

Total admissible assets after deduction of market risk and counterparty limits (as per line 89 above)	91	3658	3398
Assets in excess of market and counterparty limits	92		208
Capital resources requirement deduction of regulated related undertakings	93		
Ineligible surplus capital and restricted assets in regulated related insurance undertakings	94		
Inadmissible assets of regulated related insurance undertakings	95		
Book value of related ancillary services undertakings	96		
Other differences in the valuation of assets (other than for assets not valued above)	97		
Deferred acquisition costs excluded from line 89	98		
Reinsurers' share of technical provisions excluded from line 89	99		
Other asset adjustments (may be negative)	100		
Total assets determined in accordance with the insurance accounts rules or international accounting standards as applicable to the firm for the purpose of its external financial reporting (91 to 100)	101	3658	3606
Amounts included in line 89 attributable to debts due from related insurers, other than those under contracts of insurance or reinsurance	102		

Liabilities (other than long term insurance business)Name of insurer **Scottish Amicable Life Plc**

Global business

Financial year ended **31 December 2006**

Company registration number	GL/UK/CM	day	month	year	Units	
R15	171130	GL	31	12	2006	£000
					As at end of this financial year	As at end of the previous year
					1	2

Technical provisions (gross amount)

Provisions for unearned premiums	11		
Claims outstanding	12		
Provision for unexpired risks	13		
Equalisation provisions	Credit business	14	
	Other than credit business	15	
Other technical provisions	16		
Total gross technical provisions (11 to 16)	19		

Provisions and creditors

Provisions	Taxation	21		
	Other risks and charges	22		
Deposits received from reinsurers		31		
Creditors	Direct insurance business	41		
	Reinsurance accepted	42		
	Reinsurance ceded	43		
Debenture loans	Secured	44		
	Unsecured	45		
Amounts owed to credit institutions		46		
Creditors	Taxation	47	12	12
	Declared dividend	48		
	Other	49		
Accruals and deferred income		51		
Total (19 to 51)		59	12	12
Provision for "reasonably foreseeable adverse variations"		61		
Cumulative preference share capital		62		
Subordinated loan capital		63		
Total (59 to 63)		69	12	12

Amounts included in line 69 attributable to liabilities to related insurers, other than those under contracts of insurance or reinsurance	71		
---	-----------	--	--

Reinsurers' share of DAC	81		
Amounts deducted from technical provisions for discounting	82		
Other adjustments (may be negative)	83		
Capital and reserves	84	3646	3594
Total liabilities under insurance accounts rules or international accounting standards as applicable to the firm for the purpose of its external financial reporting (69+81-82+83+84)	85	3658	3606

Profit and loss account (non-technical account)Name of insurer **Scottish Amicable Life Plc**

Global business

Financial year ended **31 December 2006**

		Company registration number	GL/ UK/ CM	day	month	year	Units	
		R16	171130	GL	31	12	2006	£000
				This financial year			Previous year	
				1			2	
Transfer (to)/from the general insurance business technical account	From Form 20		11					
	Equalisation provisions		12					
Transfer from the long term insurance business revenue account			13					
Investment income	Income		14			112	136	
	Value re-adjustments on investments		15			6		
	Gains on the realisation of investments		16					
Investment charges	Investment management charges, including interest		17			4	3	
	Value re-adjustments on investments		18					
	Loss on the realisation of investments		19			40	73	
Allocated investment return transferred to the general insurance business technical account			20					
Other income and charges (particulars to be specified by way of supplementary note)			21					
Profit or loss on ordinary activities before tax (11+12+13+14+15+16-17-18-19-20+21)			29			74	60	
Tax on profit or loss on ordinary activities			31			22	18	
Profit or loss on ordinary activities after tax (29-31)			39			52	42	
Extraordinary profit or loss (particulars to be specified by way of supplementary note)			41					
Tax on extraordinary profit or loss			42					
Other taxes not shown under the preceding items			43					
Profit or loss for the financial year (39+41-(42+43))			49			52	42	
Dividends (paid or declared)			51					
Profit or loss retained for the financial year (49-51)			59			52	42	

SCOTTISH AMICABLE LIFE PLC
Financial Year Ended 31 December 2006

Appendix 9.4

VALUATION REPORT ON SCOTTISH AMICABLE LIFE PLC

- 1. (1)** Date of valuation is 31 December 2006.

The assets and liabilities of the insurer relating to long-term insurance business were transferred to The Prudential Assurance Company Limited (PAC) on 31 December 2002 in accordance with Part VII of the Financial Services and Markets Act 2002. No new contracts have been effected since the date of transfer. Consequently the insurer had no in force long-term insurance business at the valuation date.

- (2)** Date of previous valuation was 31 December 2005.

- (3)** Not applicable.

- 2.** Not applicable.

- 3. (1)** Not applicable.

- (2)** Not applicable.

- (3)** Not applicable.

- (4)** Not applicable.

- (5)** Not applicable.

- (6)** Not applicable.

- (7)** Not applicable.

- (8)** Not applicable.

- (9)** Not applicable.

- (10)** Not applicable.

SCOTTISH AMICABLE LIFE PLC
Financial Year Ended 31 December 2006

Appendix 9.4 - continued

- 4.** (1) Not applicable.
(2) Not applicable.
(3) Not applicable.
(4) Not applicable.
(5) Not applicable.
(6) Not applicable.
(7) Not applicable.
(8) Not applicable.
(9) Not applicable.
(10) Not applicable.
(11) Not applicable.
(12) Not applicable.
- 5.** (1) Not applicable.
(2) Not applicable.
(3) Not applicable.
(4) Not applicable.
- 6.** (1) Not applicable.
(2) Not applicable.
(3) Not applicable.
(4) Not applicable.
(5) Not applicable.
(6) Not applicable.

SCOTTISH AMICABLE LIFE PLC
Financial Year Ended 31 December 2006

Appendix 9.4 – continued

- 7. (1) Not applicable.
(2) Not applicable.
(3) Not applicable.
(4) Not applicable.
(5) Not applicable.
(6) Not applicable.
(7) Not applicable.
- 8. Not applicable.
- 9. (1) Not applicable.
(2) Not applicable.
(3) Not applicable.
- 10. (1) Not applicable.
(2) Not applicable.
(3) Not applicable.
(4) Not applicable.

SCOTTISH AMICABLE LIFE PLC
Financial Year Ended 31 December 2006

NOTES TO THE RETURN

0204 On 31 December 2002, immediately prior to the end of the financial year, the insurer transferred its long term business to The Prudential Assurance Company Limited in accordance with Part VII of the Financial Services and Markets Act 2002.

0301 Reconciliation of net assets to total capital resources		
	£'000	£'000
	2006	2005
Net assets as per Annual return		
Line 89 on Form 13 (OLTB)	3,658	3,398
less Line 59 on Form 15	<u> 12</u>	<u> 12</u>
	3,646	3,386
Total Capital Resources after Deductions		
Line 79 on Form 3	<u>3,646</u>	<u>3,386</u>

1304 Use of set off

Amounts have been set off to the extent permitted by generally accepted accounting principles

1305 Counterparty limits

Under the Company's investment guidelines, the maximum permitted exposure to any one counterparty is set at 5% of the business amount, with the exception of short-term deposits with approved credit institutions, where the limit for any one institution is 20%. The 5% limit for the other than long-term fund has not been exceeded. The 20% limit for other than long-term fund has not been exceeded.

1306 Exposure at the year end to large counterparties

There was no exposure to large counterparties in excess of 5% in the year. The 20% limit for short term deposits with approved credit institutions was also not exceeded during the year.

SCOTTISH AMICABLE LIFE PLC
Financial Year Ended 31 December 2006

NOTES TO THE RETURN– continued

1502 Other than long-term charges, contingent liabilities and guarantees

- a) There were no charges over assets.
- b) The potential tax liability to taxation on capital gains in respect of the other than long-term business assets is nil.
- c) The Company also has no contingent liabilities in respect of insurance and other agreements entered into in the normal course of business and in respect of litigation arising therefrom.
- d) There are no guarantees, indemnity or other contractual commitments in respect of the existing or future liabilities of any related companies.
- e) There are no other fundamental uncertainties.

1601 Exchange rates

Assets and liabilities in foreign currencies have been brought into account at the rates of exchange ruling at 31 December 2006. Transactions in foreign currencies have been brought into account at the rates ruling at the dates of the transactions.

1700 Form 17

Form 17 is omitted as all the amounts required to be shown would be zero.

SCOTTISH AMICABLE LIFE PLC
Financial Year Ended 31 December 2006

DIRECTOR'S CERTIFICATE as required by rule 9.34 of the Interim Prudential Sourcebook for Insurers.

We certify:

1. (a) that the return has been properly prepared in accordance with the requirements in IPRU (INS), GENPRU and INSPRU; and:
 - (b) we are satisfied that:
 - (i) throughout the financial year in question, the insurer has complied in all material respects with the requirements of SYSC and PRIN as well as the provisions of IPRU (INS), GENPRU, INSPRU and PRU; and
 - (ii) it is reasonable to believe that the insurer has continued so to comply subsequently, and will continue so to comply in future.
2. that the statements required by paragraph 2 of Part 1 of Appendix 9.6 of the Interim Prudential Sourcebook for Insurers have been omitted as the insurer no longer carries on long-term insurance business.

N E T PRETTEJOHN, Chief Executive

D J BELSHAM, Director

K NUNN, Director

22nd March 2007

SCOTTISH AMICABLE LIFE PLC
Financial Year Ended 31 December 2006

REPORT OF THE AUDITOR TO THE DIRECTORS PURSUANT TO RULE 9.35 OF THE ACCOUNTS AND STATEMENTS RULES

We have examined the following documents prepared by the company pursuant to the Accounts and Statements Rules set out in part I and part IV of chapter 9 to IPRU (INS) the Interim Prudential Sourcebook for Insurers, GENPRU the General Prudential Sourcebook and INSPRU the Insurance Prudential Sourcebook, (“the Rules”) made by the Financial Services Authority under section 138 of the Financial Services and Markets Act 2000:

- Forms 2, 3, 13, 15 and 16, (including the supplementary notes) on pages 3 to 17 (‘the Forms’);
- the statement required by IPRU (INS) rule 9.29 on page 22 (‘the Statement’);
- the valuation report required by rule IPRU (INS) 9.31(a) (‘the valuation report’)

We are not required to examine and do not express an opinion on:

- the statements required by IPRU (INS) rules 9.30 on page 23;
- the certificate required by IPRU (INS) rule 9.34 on page 18 (‘the certificate’),

This report is made solely to the company’s directors, as a body, in accordance with the requirements of IPRU (INS) rule 9.35. We acknowledge that the directors are required to submit this report to the FSA, to enable the FSA to verify that an auditor’s report has been commissioned by the company’s directors and issued in accordance with the requirements of IPRU (INS) rule 9.35 and to facilitate the discharge by the FSA of its regulatory functions in respect of the company, conferred on the FSA by or under the Financial Services and Markets Act 2000. Our audit work has been undertaken so that we might state to the company’s directors those matters we are required to state to them in an auditor’s report issued pursuant to IPRU (INS) rule 9.35 and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company’s directors as a body, for our audit work, for this report, or for the opinions we have formed.

SCOTTISH AMICABLE LIFE PLC
Financial Year Ended 31 December 2006

RESPECTIVE RESPONSIBILITIES OF THE COMPANY AND ITS AUDITORS

The company is responsible for the preparation of an annual return (including the Forms, the Statement, the valuation report, the forms and statements not examined by us and the certificate under the provisions of the Rules. Under IPRU (INS) rule 9.11 the Forms, the Statement, valuation report, the forms and statements not examined by us and the certificate are required to be prepared in the manner specified by the Rules and to state fairly the information provided on the basis required by the Rules.

The methods and assumptions determined by the company and used to perform the actuarial investigation as set out in the valuation report, prepared in accordance with IPRU (INS) rule 9.31 are required to reflect appropriately the requirements of INSPRU 1.2.

It is our responsibility to form an independent opinion as to whether the Forms, the Statement, the valuation report meet these requirements, and to report our opinions to you. We also report to you if, in our opinion, the company has not kept proper accounting records or if we have not received all the information we require for our examination.

BASIS OF OPINION

We conducted our work in accordance with Practice Note 20: 'The Audit of Insurers in the United Kingdom (Revised)' issued by the Auditing Practices Board. Our work included examination, on a test basis, of evidence relevant to the amounts and disclosures in the Forms, the Statement, the valuation report. The evidence included that previously obtained by us relating to the audit of the financial statements of the company for the financial year. It also included an assessment of the significant estimates and judgements made by the company in the preparation of the Forms, the Statement, the valuation report.

We planned and performed our work so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Forms, the Statement, the valuation report are free from material misstatement, whether caused by fraud or other irregularity or error, and comply with IPRU (INS) rule 9.11.

In accordance with IPRU (INS) rule 9.35(1A), to the extent that any document, Form, Statement, analysis or report to be examined under rule IPRU (INS) 9.35(1) contains amounts or information abstracted from the actuarial investigation performed pursuant to IPRU (INS) rule 9.4, we have obtained and paid due regard to advice from a suitably qualified actuary who is independent of the company.

SCOTTISH AMICABLE LIFE PLC
Financial Year Ended 31 December 2006

OPINION

In our opinion:

- i) the Forms, the Statement, the valuation report fairly state the information provided on the basis required by the Rules and have been properly prepared in accordance with the provisions of those Rules; and
- ii) the methods and assumptions determined by the company and used to perform the actuarial investigation as set out in the valuation report prepared in accordance with IPRU (INS) rule 9.31 appropriately reflect the requirements of INSPRU 1.2.

KPMG Audit Plc
Registered Auditor
London
March 2007

SCOTTISH AMICABLE LIFE PLC
Financial Year Ended 31 December 2006

ADDITIONAL INFORMATION ON DERIVATIVE CONTRACTS as required by the Interim Prudential Sourcebook for Insurers (Rule 9.29).

- (a) No Derivative positions were held during 2006.
- (b) No provision is made by the investment guidelines for the use of contracts under which the company had a right or obligation to acquire or dispose of assets which was not, at the time when the contract was entered into, reasonably likely to be exercised.
- (c) The Company was not, during the financial period, a party to any contracts of the kind described in (b) above.
- (d) No Derivative contracts were held during 2006. Therefore the amounts in Form 13 would not be changed if assets were acquired or disposed of under derivative contracts.
- (e) No derivative contracts were held during 2006, if derivatives were exercised in such a way as to change the amounts recorded in Form 13 to the maximum extent, the position stated in (d) above would be unchanged.
- (f) The position stated in (d) and (e) above was true for the whole of the financial period.
- (g) As no derivative contracts were held in 2006, no loss would be incurred by the Company in the event of failure of a counterparty.
- (h) No derivatives were held in 2006.
- (i) No derivatives were held in 2006 therefore no proceeds were received by the fund during the financial period.

SCOTTISH AMICABLE LIFE PLC
Financial Year Ended 31 December 2006

ADDITIONAL INFORMATION ON SHAREHOLDER CONTROLLERS as required by rule 9.30 of the Interim Prudential Sourcebook for Insurers.

Throughout the financial period, The Prudential Assurance Company Limited held all the shares and controlled the whole of the voting power of the insurer. Prudential plc held all the shares and controlled the whole of the voting power of The Prudential Assurance Company Limited.