

c/o James Neill Holdings Limited
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The James Neill Pension Plan

To All Active & Deferred Members

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9th May 2003

Dear Member

THE JAMES NEILL PENSION PLAN SUSPENSION OF TRANSFER VALUES

We are writing to inform you that the Plan's trustees have decided not to issue statements of entitlement (transfer value quotations) pending new regulations governing transfer values. This decision has been taken after considering the advice of the Plan actuary and the Plan's legal advisors and is in accordance with guidance received from the Occupational Pensions Regulatory Authority. The trustees' objective in making this decision is to prevent the payment of transfer values from adversely affecting the security of remaining members' benefits.

It is expected that we will be able to resume issuing statements of entitlement later this year once the new regulations are in force. Outstanding requests for statements of entitlement will be dealt with as soon as possible after then.

It is expected that the new regulations will give trustees of schemes such as ours, which are not fully funded greater powers to reduce transfer values and so enable us to maintain a fair balance between members taking transfer values from the Plan and those who remain in it.

We will take legal advice once the new regulations are in place before deciding to make use of the powers contained in them.

Yours faithfully
On behalf of the Trustees of
The James Neill Pension Plan



W Fletcher
Chairman