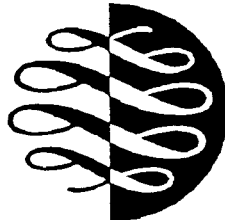


# Prudential Pensions Limited

Annual FSA Insurance Returns for the year ended  
31st December 2000



Accounts and statements pursuant to the Insurance Companies  
Act 1982 and the Insurance Companies (Accounts and  
Statements) Regulations 1996 (as amended)

(Schedules 1 , 3 , 4 , 6 )



Returns under Insurance Companies Legislation

**Prudential Pensions Limited**

Year ended 31st December 2000

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## Statement of solvency

Name of company **Prudential Pensions Limited**

Global business

Financial year ended **31st December 2000**

| R9 | Company registration number | GL/UK/CM                             | Period ended                       |       |        | Units |
|----|-----------------------------|--------------------------------------|------------------------------------|-------|--------|-------|
|    |                             |                                      | day                                | month | year   |       |
|    | 992726                      | GL                                   | 31                                 | 12    | 2000   | £000  |
|    |                             | As at the end of this financial year | As at the end of the previous year |       | Source |       |
|    |                             | 1                                    | 2                                  |       | Form   | Line  |
|    |                             |                                      |                                    |       | Column |       |

**GENERAL BUSINESS****Available assets**

|   |    |  |  |                          |
|---|----|--|--|--------------------------|
| Other than long term business assets allocated towards general business required minimum margin | 11 |  |  | See instructions 1 and 2 |
|---|----|--|--|--------------------------|

**Required minimum margin**

|  |    |  |  |         |
|--|----|--|--|---------|
| Required minimum margin for general business                                     | 12 |  |  | 12 . 49 |
| Excess (deficiency) of available assets over the required minimum margin (11-12) | 13 |  |  |         |

**LONG TERM BUSINESS****Available assets**

|   |    |         |         |                          |
|---|----|---------|---------|--------------------------|
| Long term business admissible assets  | 21 | 4080415 | 4330963 | 10 . 11                  |
| Other than long term business assets allocated towards long term business required minimum margin | 22 | 16178   | 13548   | See instructions 1 and 3 |
| Total mathematical reserves (after distribution of surplus)                                       | 23 | 4033778 | 4248676 | See instruction 4        |
| Other insurance and non-insurance liabilities   | 24 | 42477   | 78127   | See instruction 5        |
| Available assets for long term business required minimum margin (21+22-23-24)                     | 25 | 20338   | 17708   |                          |

**Implicit Items admitted under regulation 23(5) of the Insurance Companies Regulations 1994**

|                 |    |  |  |  |
|-----------------|----|--|--|--|
| Future profits  | 31 |  |  |  |
| Zillmerising    | 32 |  |  |  |
| Hidden reserves | 33 |  |  |  |

|  |    |       |       |  |
|--|----|-------|-------|--|
| Total of available assets and implicit items (25+31+32+33) | 34 | 20338 | 17708 |  |
|--|----|-------|-------|--|

**Required minimum margin**

|   |    |       |       |         |
|---|----|-------|-------|---------|
| Required minimum margin for long term business  | 41 | 3241  | 3185  | 60 . 69 |
| Explicit required minimum margin (1/6 x 41, or minimum guarantee fund if greater)                   | 42 | 540   | 531   |         |
| Excess (deficiency) of available assets over explicit required minimum margin (25-42)               | 43 | 19798 | 17177 |         |
| Excess (deficiency) of available assets and implicit items over the required minimum margin (34-41) | 44 | 17097 | 14523 |         |

**CONTINGENT LIABILITIES**

|   |    |  |  |                   |
|---|----|--|--|-------------------|
| Quantifiable contingent liabilities in respect of other than long term business as shown in a supplementary note to Form 15 | 51 |  |  | See instruction 6 |
| Quantifiable contingent liabilities in respect of long term business as shown in a supplementary note to Form 14            | 52 |  |  | See instruction 6 |

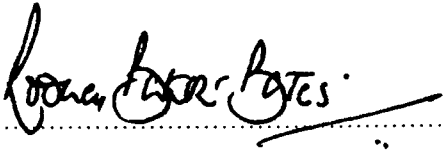


Covering sheet to Form 9

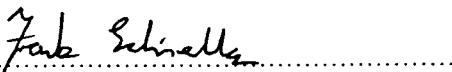
Name of company      **Prudential Pensions Limited**

Global business

Financial year ended      **31st December 2000**



Rodney Baker-Bates      Director



Frank Schinella      Director



Susan Morgan      Secretary

London 20 June 2001

## Statement of net assets

Name of company **Prudential Pensions Limited**

Global business

Financial year ended **31st December 2000**

|   | R10 | Company registration number<br>992726                                 | GL/UK/CM<br>GL | Period ended                              |   |                   | Units<br>£000 |
|---|-----|---|----------------|---|---|-------------------|---------------|
|   |     |   |                | day                                       | month                                   | year              |               |
|   |     |   |                | 31  | 12                                      | 2000              |               |
|   |     |   |                | As at the end of this financial year<br>1 | As at the end of the previous year<br>2 | Source            |               |
|   |     |   |                |   |   | Form              | Line          |
|   |     |   |                |   |   | Column            |               |
| Long term business - admissible assets  | 11  | 4080415   |                | 4330963                                   |   | 13                | 89            |
| Long term business - liabilities and margins  | 12  | 4080415   |                | 4330963                                   |   | 14                | 59            |
| Other than Long term business - admissible assets                                     | 21  | 24531   |                | 16059                                     |   | 13                | 89            |
| Other than Long term business - liabilities   | 22  | 8353  |                | 2511                                      |   | 15                | 69            |
| Net admissible assets (21-22)   | 23  | 16178   |                | 13548                                     |   |                   |               |
| Other assets allowed to be taken into account in covering the required minimum margin |     | Unpaid amounts (including share premium) on partly paid shares        | 24             |   |   |                   |               |
|   |     | Supplementary contributions for a mutual carrying on general business | 25             |   |   |                   |               |
| Liabilities allowed to be left out of account in covering the required minimum margin |     | Subordinated loan capital   | 26             |   |   |                   |               |
|   |     | Cumulative preference share capital                                   | 27             |   |   |                   |               |
| Available assets (23 to 27)   | 29  | 16178   |                | 13548                                     |   |                   |               |
| <b>Represented by:</b>  |     |   |                |   |   |                   |               |
| Paid up share capital (other than cumulative preference share capital)                | 51  | 6000  |                | 6000                                      |   |                   |               |
| Amounts included in lines 24 to 27 above  | 52  |   |                |   |   |                   |               |
| Amounts representing the balance of net assets  | 56  | 10178   |                | 7548                                      |   |                   |               |
| Total (51 to 56) and equal to line 29 above   | 59  | 16178   |                | 13548                                     |   |                   |               |
| <b>Movement of balance of net assets for solvency purposes - as per line 56</b>       |     |   |                |   |   |                   |               |
| Balance brought forward at the beginning of the financial year                        | 61  | 7548  |                | 2842                                      |   | 10                | 56            |
| Retained profit/(loss) for the financial year   | 62  | 2962  |                | 4895                                      |   | 16                | 59            |
| Movement in asset valuation differences   | 63  | (332)   |                | (189)                                     |   | See instruction 2 |               |
| Decrease/(increase) in the provision for adverse changes                              | 64  |   |                |   |   | See instruction 3 |               |
| Other movements (particulars to be specified by way of supplementary note)            | 65  |   |                |   |   |                   |               |
| Balance carried forward at the end of the financial year (61 to 65)                   | 69  | 10178   |                | 7548                                      |   |                   |               |

## Analysis of admissible assets

Name of company            **Prudential Pensions Limited**

Global business

Financial year ended       **31st December 2000**

Category of assets         **Total other than long term business assets**

|   |  | Company registration number   | GL/UK/CM | Period ended                           |       |      | Units                                | Category of assets |   |
|---|--|---|----------|--|-------|------|--------------------------------------|--------------------|---|
|   |  |   |          | day                                    | month | year |                                      |                    |   |
|   |  | R13   | 992726   | GL                                     | 31    | 12   | 2000                                 | £000               | 1 |
| <b>Investments</b>  |  |   |          | As at the end of this financial year 1 |       |      | As at the end of the previous year 2 |                    |   |
| Land and buildings  |  |   |          | 11                                     |       |      |                                      |                    |   |
| Investments in group undertakings and participating interests | UK insurance dependants                              | Shares  | 21       |  |       |      |                                      |                    |   |
|   |  | Debt securities issued by, and loans to, dependants   | 22       |  |       |      |                                      |                    |   |
|   | Other insurance dependants                           | Shares  | 23       |  |       |      |                                      |                    |   |
|   |  | Debt securities issued by, and loans to, dependants   | 24       |  |       |      |                                      |                    |   |
|   | Non-insurance dependants                             | Shares  | 25       |  |       |      |                                      |                    |   |
|   |  | Debt securities issued by, and loans to, dependants   | 26       |  |       |      |                                      |                    |   |
|   | Other group undertakings and participating interests | Shares  | 27       |  |       |      |                                      |                    |   |
|   |  | Debt securities issued by, and loans to, group undertakings   | 28       |  |       |      |                                      |                    |   |
|   |  | Participating interests   | 29       |  |       |      |                                      |                    |   |
|   |  | Debt securities issued by, and loans to, undertakings in which the company has a participating interest | 30       |  |       |      |                                      |                    |   |
| Total sheet 1 (11 to 30)                                      |  |   |          | 39                                     |       |      |                                      |                    |   |

## Analysis of admissible assets

Name of company **Prudential Pensions Limited**

Global business

Financial year ended **31st December 2000**Category of assets **Total other than long term business assets**

|  |  | Company registration number  | GL/UK/CM            | Period ended                         |    |       | Units                              | Category of assets |   |       |  |
|--|--|--|---------------------|--------------------------------------|----|-------|------------------------------------|--------------------|---|-------|--|
|  |  | R13  | 992726              | GL                                   | 31 | 12    | 2000                               | £000               | 1 |       |  |
|  |  |  |                     | day month year                       |    |       |                                    |                    |   |       |  |
| <b>Investments (continued)</b>                 |  |  |                     | As at the end of this financial year |    |       | As at the end of the previous year |                    |   |       |  |
| <b>Deposits with ceding undertakings</b>       |  |  |                     | 1                                    |    |       | 2                                  |                    |   |       |  |
| <b>Assets held to cover linked liabilities</b> |  |  |                     |                                      |    |       |                                    |                    |   |       |  |
| Other financial investments                    | Equity shares  |  |                     |                                      | 41 |       |                                    |                    |   |       |  |
|  | Other shares and other variable yield securities                               |  |                     |                                      | 42 |       |                                    |                    |   |       |  |
|  | Holdings in collective investment schemes                                      |  |                     |                                      | 43 |       |                                    |                    |   |       |  |
|  | Rights under derivative contracts  |  |                     |                                      | 44 |       |                                    |                    |   |       |  |
|  | Debt securities and other fixed income securities                              | Fixed interest   | Approved securities |                                      | 45 |       |                                    |                    |   |       |  |
|  |  |  | Other               |                                      | 46 |       |                                    |                    |   |       |  |
|  |  | Variable interest  | Approved securities |                                      | 47 |       |                                    |                    |   |       |  |
|  |  |  | Other               |                                      | 48 |       |                                    |                    |   |       |  |
|  | Participation in investment pools  |  |                     |                                      | 49 |       |                                    |                    |   |       |  |
|  | Loans secured by mortgages   |  |                     |                                      | 50 |       |                                    |                    |   |       |  |
|  | Other loans  | Loans to public or local authorities and nationalised industries or undertakings |                     |                                      |    | 51    |                                    |                    |   |       |  |
|  |  | Loans secured by policies of insurance issued by the company                     |                     |                                      |    | 52    |                                    |                    |   |       |  |
|  |  | Other  |                     |                                      |    | 53    |                                    |                    |   |       |  |
|  | Deposits with approved credit institutions and approved financial institutions | Withdrawal subject to a time restriction of one month or less                    |                     |                                      |    | 54    |                                    | 23106              |   | 13413 |  |
|  |  | Withdrawal subject to a time restriction of more than one month                  |                     |                                      |    | 55    |                                    |                    |   |       |  |
| Other  |  |  |                     | 56                                   |    |       |                                    |                    |   |       |  |
| Deposits with ceding undertakings              |  |  |                     | 57                                   |    |       |                                    |                    |   |       |  |
| Assets held to match linked liabilities        | Index linked   |  |                     |                                      | 58 |       |                                    |                    |   |       |  |
|  | Property linked  |  |                     |                                      | 59 |       |                                    |                    |   |       |  |
| Reinsurers' share of technical provisions      | Provision for unearned premiums  |  |                     |                                      | 60 |       |                                    |                    |   |       |  |
|  | Claims outstanding   |  |                     |                                      | 61 |       |                                    |                    |   |       |  |
|  | Provision for unexpired risks  |  |                     |                                      | 62 |       |                                    |                    |   |       |  |
|  | Other  |  |                     |                                      | 63 |       |                                    |                    |   |       |  |
| Total sheet 2 (41 to 63)                       |  |  |                     | 69                                   |    | 23106 |                                    | 13413              |   |       |  |

## Analysis of admissible assets

Name of company **Prudential Pensions Limited**

Global business

Financial year ended **31st December 2000**Category of assets **Total other than long term business assets**

|  | Company registration number   | GL/UK/CM   | Period ended |       |      | Units                                  | Category of assets |                                      |
|--|---|--|--------------|-------|------|--|--------------------|--------------------------------------|
|  |   |  | day          | month | year |  |                    |                                      |
|  | R13   | 992726   | GL           | 31    | 12   | 2000                                   | £000               | 1                                    |
| <b>Debtors</b>   |   |  |              |       |      |  |                    |                                      |
| <b>Other assets</b>  |   |  |              |       |      |  |                    |                                      |
|  |   |  |              |       |      | As at the end of this financial year 1 |                    | As at the end of the previous year 2 |
| Debtors arising out of direct insurance operations   | Policyholders   |  |              | 71    |      |  |                    |                                      |
|  | Intermediaries  |  |              | 72    |      |  |                    |                                      |
| Salvage and subrogation recoveries   |   |  |              | 73    |      |  |                    |                                      |
| Debtors arising out of reinsurance operations  | Due from ceding insurers and intermediaries under reinsurance business accepted   |  |              | 74    |      |  |                    |                                      |
|  | Due from reinsurers and intermediaries under reinsurance contracts ceded  |  |              | 75    |      |  |                    |                                      |
| Other debtors  | Due from dependants   | Due in 12 months or less after the end of the financial year |              | 76    |      |  |                    |                                      |
|  |   | Due more than 12 months after the end of the financial year  |              | 77    |      |  |                    |                                      |
|  | Other   | Due in 12 months or less after the end of the financial year |              | 78    |      | 264                                    |                    | 265                                  |
|  |   | Due more than 12 months after the end of the financial year  |              | 79    |      |  |                    |                                      |
| Tangible assets  |   |  |              | 80    |      |  |                    |                                      |
| Cash at bank and in hand   | Deposits not subject to time restriction on withdrawal, with approved credit institutions and approved financial institutions and local authorities |  |              | 81    |      | 1128                                   |                    | 2377                                 |
|  | Cash in hand  |  |              | 82    |      |  |                    |                                      |
| Other assets (particulars to be specified by way of supplementary note)  |   |  |              | 83    |      |  |                    |                                      |
| Prepayments and accrued income   | Accrued interest and rent   |  |              | 84    |      | 33                                     |                    | 4                                    |
|  | Deferred acquisition costs  |  |              | 85    |      |  |                    |                                      |
|  | Other prepayments and accrued income  |  |              | 86    |      |  |                    |                                      |
| Deductions (under regulations 57(2)(b) and 57(3) of the Insurance Companies Regulations 1994) from the aggregate value of assets   |   |  |              | 87    |      |  |                    |                                      |
| Total sheet 3 (71 to 86 less 87)   |   |  |              | 88    |      | 1425                                   |                    | 2646                                 |
| Grand total of admissible assets (39+69+88)  |   |  |              | 89    |      | 24531                                  |                    | 16059                                |
| <b>Reconciliation to asset values determined in accordance with the shareholder accounts rules</b>   |   |  |              |       |      |  |                    |                                      |
| Total admissible assets (as per line 89 above)   |   |  |              | 91    |      | 24531                                  |                    | 16059                                |
| Total assets in excess of the admissibility limits of Schedule 12 of the Insurance Companies Regulations 1994, (as valued in accordance with those Regulations before applying admissibility limits) |   |  |              | 92    |      | 694                                    |                    | 362                                  |
| Deduction by margin deduction for insurance dependants   |   |  |              | 93    |      |  |                    |                                      |
| Other differences in the valuation of assets (other than for assets not valued above)  |   |  |              | 94    |      |  |                    |                                      |
| Assets of a type not valued above, (as valued in accordance with the shareholder accounts rules)   |   |  |              | 95    |      |  |                    |                                      |
| Total assets determined in accordance with the shareholder accounts rules (91 to 95)   |   |  |              | 99    |      | 25225                                  |                    | 16421                                |
| Amounts included in line 89 attributable to debts due from related companies, other than those under contracts of insurance or reinsurance   |   |  |              | 100   |      | 261                                    |                    | 261                                  |

## Analysis of admissible assets

Name of company           **Prudential Pensions Limited**  
 Global business  
 Financial year ended       **31st December 2000**  
 Category of assets         **Total long term business assets**

|   |  | Company registration number   | GL/UK/CM | Period ended |       |      | Units                                  | Category of assets                   |    |
|---|--|---|----------|--------------|-------|------|--|--------------------------------------|----|
|   |  | R13   | 992726   | GL           | 31    | 12   | 2000                                   | £000                                 | 10 |
|   |  |   |          | day          | month | year |  |                                      |    |
| <b>Investments</b>  |  |   |          |              |       |      | As at the end of this financial year 1 | As at the end of the previous year 2 |    |
| Land and buildings  |  |   |          | 11           |       |      |  |                                      |    |
| Investments in group undertakings and participating interests | UK insurance dependants                              | Shares  |          | 21           |       |      |  |                                      |    |
|   |  | Debt securities issued by, and loans to, dependants   |          | 22           |       |      |  |                                      |    |
|   | Other insurance dependants                           | Shares  |          | 23           |       |      |  |                                      |    |
|   |  | Debt securities issued by, and loans to, dependants   |          | 24           |       |      |  |                                      |    |
|   | Non-insurance dependants                             | Shares  |          | 25           |       |      |  |                                      |    |
|   |  | Debt securities issued by, and loans to, dependants   |          | 26           |       |      |  |                                      |    |
|   | Other group undertakings and participating interests | Shares  |          | 27           |       |      |  |                                      |    |
|   |  | Debt securities issued by, and loans to, group undertakings   |          | 28           |       |      |  |                                      |    |
|   |  | Participating interests   |          | 29           |       |      |  |                                      |    |
|   |  | Debt securities issued by, and loans to, undertakings in which the company has a participating interest |          | 30           |       |      |  |                                      |    |
| Total sheet 1 (11 to 30)                                      |  |   |          | 39           |       |      |  |                                      |    |

## Analysis of admissible assets

Name of company **Prudential Pensions Limited**

Global business

Financial year ended **31st December 2000**Category of assets **Total long term business assets**

|  |  | Company registration number  | GL/UK/CM            | Period ended                         |                |                                    | Units          | Category of assets |      |  |
|--|--|--|---------------------|--------------------------------------|----------------|------------------------------------|----------------|--------------------|------|--|
|  |  | R13  | 992726              | GL                                   | 31             | 12                                 | 2000           | £000               | 10   |  |
| <b>Investments (continued)</b>                 |  |  |                     | As at the end of this financial year |                | As at the end of the previous year |                |                    |      |  |
| <b>Deposits with ceding undertakings</b>       |  |  |                     | 1                                    |                | 2                                  |                |                    |      |  |
| <b>Assets held to cover linked liabilities</b> |  |  |                     |                                      |                |                                    |                |                    |      |  |
| Other financial investments                    | Equity shares  |  |                     | 41                                   |                |                                    |                |                    |      |  |
|  | Other shares and other variable yield securities                               |  |                     | 42                                   |                |                                    |                |                    |      |  |
|  | Holdings in collective investment schemes                                      |  |                     | 43                                   |                |                                    |                |                    |      |  |
|  | Rights under derivative contracts  |  |                     | 44                                   |                |                                    |                |                    |      |  |
|  | Debt securities and other fixed income securities                              | Fixed interest   | Approved securities |                                      | 45             |                                    | 2132           |                    | 2040 |  |
|  |  |  | Other               |                                      | 46             |                                    |                |                    |      |  |
|  |  | Variable interest  | Approved securities |                                      | 47             |                                    |                |                    |      |  |
|  |  |  | Other               |                                      | 48             |                                    |                |                    |      |  |
|  | Participation in investment pools  |  |                     | 49                                   |                |                                    |                |                    |      |  |
|  | Loans secured by mortgages   |  |                     | 50                                   |                |                                    |                |                    |      |  |
|  | Other loans  | Loans to public or local authorities and nationalised industries or undertakings |                     | 51                                   |                |                                    |                |                    |      |  |
|  |  | Loans secured by policies of insurance issued by the company                     |                     | 52                                   |                |                                    |                |                    |      |  |
|  |  | Other  |                     | 53                                   |                |                                    |                |                    |      |  |
|  | Deposits with approved credit institutions and approved financial institutions | Withdrawal subject to a time restriction of one month or less                    |                     | 54                                   |                | 16394                              |                | 23087              |      |  |
|  |  | Withdrawal subject to a time restriction of more than one month                  |                     | 55                                   |                |                                    |                |                    |      |  |
|  | Other  |  |                     | 56                                   |                |                                    |                |                    |      |  |
|  | Deposits with ceding undertakings  |  |                     | 57                                   |                |                                    |                |                    |      |  |
| Assets held to match linked liabilities        | Index linked   |  | 58                  |                                      |                |                                    |                |                    |      |  |
|  | Property linked  |  | 59                  |                                      | 4058662        |                                    | 4304522        |                    |      |  |
| Reinsurers' share of technical provisions      | Provision for unearned premiums  |  | 60                  |                                      |                |                                    |                |                    |      |  |
|  | Claims outstanding   |  | 61                  |                                      |                |                                    |                |                    |      |  |
|  | Provision for unexpired risks  |  | 62                  |                                      |                |                                    |                |                    |      |  |
|  | Other  |  | 63                  |                                      |                |                                    |                |                    |      |  |
| <b>Total sheet 2 (41 to 63)</b>                |  |  | <b>69</b>           |                                      | <b>4077188</b> |                                    | <b>4329649</b> |                    |      |  |

## Analysis of admissible assets

Name of company **Prudential Pensions Limited**

Global business

Financial year ended **31st December 2000**Category of assets **Total long term business assets**

|  |   | Company registration number                                  | GL/UK/CM | Period ended |                                      |         | Units | Category of assets                 |    |
|--|---|--|----------|--------------|--------------------------------------|---------|-------|------------------------------------|----|
|  |   | R13  | 992726   | GL           | 31                                   | 12      | 2000  | £000                               | 10 |
|  |   |  |          |              | day                                  | month   | year  |                                    |    |
| <b>Debtors</b>   |   |  |          |              | As at the end of this financial year |         |       | As at the end of the previous year |    |
| <b>Other assets</b>  |   |  |          |              | 1                                    |         |       | 2                                  |    |
| Debtors arising out of direct insurance operations   | Policyholders   |  |          |              | 71                                   |         |       | 807                                |    |
|  | Intermediaries  |  |          |              | 72                                   |         |       |                                    |    |
| Salvage and subrogation recoveries   |   |  |          |              | 73                                   |         |       |                                    |    |
| Debtors arising out of reinsurance operations  | Due from ceding insurers and intermediaries under reinsurance business accepted   |  |          |              | 74                                   |         |       |                                    |    |
|  | Due from reinsurers and intermediaries under reinsurance contracts ceded  |  |          |              | 75                                   |         |       |                                    |    |
| Other debtors  | Due from dependants   | Due in 12 months or less after the end of the financial year |          |              | 76                                   |         |       |                                    |    |
|  |   | Due more than 12 months after the end of the financial year  |          |              | 77                                   |         |       |                                    |    |
|  | Other   | Due in 12 months or less after the end of the financial year |          |              | 78                                   | 148     |       | 98                                 |    |
|  |   | Due more than 12 months after the end of the financial year  |          |              | 79                                   |         |       |                                    |    |
| Tangible assets  |   |  |          |              | 80                                   |         |       |                                    |    |
| Cash at bank and in hand   | Deposits not subject to time restriction on withdrawal, with approved credit institutions and approved financial institutions and local authorities |  |          |              | 81                                   | 3073    |       | 393                                |    |
|  | Cash in hand  |  |          |              | 82                                   |         |       |                                    |    |
| Other assets (particulars to be specified by way of supplementary note)  |   |  |          |              | 83                                   |         |       |                                    |    |
| Prepayments and accrued income   | Accrued interest and rent   |  |          |              | 84                                   | 6       |       | 16                                 |    |
|  | Deferred acquisition costs  |  |          |              | 85                                   |         |       |                                    |    |
|  | Other prepayments and accrued income  |  |          |              | 86                                   |         |       |                                    |    |
| Deductions (under regulations 57(2)(b) and 57(3) of the Insurance Companies Regulations 1994) from the aggregate value of assets   |   |  |          |              | 87                                   |         |       |                                    |    |
| Total sheet 3 (71 to 86 less 87)   |   |  |          |              | 88                                   | 3227    |       | 1314                               |    |
| Grand total of admissible assets (39+69+88)  |   |  |          |              | 89                                   | 4080415 |       | 4330963                            |    |
| <b>Reconciliation to asset values determined in accordance with the shareholder accounts rules</b>   |   |  |          |              |                                      |         |       |                                    |    |
| Total admissible assets (as per line 89 above)   |   |  |          |              | 91                                   | 4080415 |       | 4330963                            |    |
| Total assets in excess of the admissibility limits of Schedule 12 of the Insurance Companies Regulations 1994, (as valued in accordance with those Regulations before applying admissibility limits) |   |  |          |              | 92                                   |         |       |                                    |    |
| Solvency margin deduction for insurance dependants   |   |  |          |              | 93                                   |         |       |                                    |    |
| Other differences in the valuation of assets (other than for assets not valued above)  |   |  |          |              | 94                                   |         |       |                                    |    |
| Assets of a type not valued above, (as valued in accordance with the shareholder accounts rules)   |   |  |          |              | 95                                   |         |       |                                    |    |
| Total assets determined in accordance with the shareholder accounts rules (91 to 95)   |   |  |          |              | 99                                   | 4080415 |       | 4330963                            |    |
| Amounts included in line 89 attributable to debts due from related companies, other than those under contracts of insurance or reinsurance   |   |  |          |              | 100                                  |         |       |                                    |    |

## Long term business liabilities and margins

Name of company **Prudential Pensions Limited**

Global business

Financial year ended **31st December 2000**Category of assets **Ordinary Long Term**

|  | Company registration number         | GL/UK/CM             | Period ended |  |                                      | Units             | Category of assets |
|--|-------------------------------------|----------------------|--------------|--|--------------------------------------|-------------------|--------------------|
|  |                                     |                      | day          | month                                  | year                                 |                   |                    |
|  | R14                                 | 992726               | GL           | 31                                     | 12                                   | 2000              | £000 11            |
|  |                                     |                      |              | As at the end of this financial year 1 | As at the end of the previous year 2 |                   | Source             |
| Mathematical reserves, after distribution of surplus   | 11                                  | 4033778              |              | 4248676                                |                                      |                   | See Instruction 2  |
| Cash bonuses which had not been paid to policyholders prior to end of the financial year   | 12                                  |                      |              |  |                                      |                   | See Instruction 3  |
| Balance of surplus/(valuation deficit)   | 13                                  | 4160                 |              | 4160                                   |                                      |                   | See Instruction 4  |
| Long term business fund carried forward (11 to 13)   | 14                                  | 4037938              |              | 4252836                                |                                      |                   | See Instruction 5  |
| Claims outstanding which had fallen due for payment before the end of the financial year   | Gross amount                        | 15                   | 3769         | 4739                                   |                                      |                   |                    |
|  | Reinsurers' share                   | 16                   |              |  |                                      |                   |                    |
|  | Net (15-16)                         | 17                   | 3769         | 4739                                   |                                      |                   |                    |
| Provisions for other risks and charges   | Taxation                            | 21                   |              |  |                                      |                   |                    |
|  | Other                               | 22                   |              |  |                                      |                   |                    |
| Deposits received from reinsurers  | 23                                  |                      |              |  |                                      |                   |                    |
| Creditors and other liabilities  | Arising out of insurance operations | Direct business      | 31           | 1392                                   | 3791                                 |                   |                    |
|  |                                     | Reinsurance accepted | 32           | 3906                                   | 8978                                 |                   |                    |
|  |                                     | Reinsurance ceded    | 33           | 1734                                   | 156                                  |                   |                    |
|  | Debenture loans                     | Secured              | 34           |  |                                      |                   |                    |
|  |                                     | Unsecured            | 35           |  |                                      |                   |                    |
|  | Amounts owed to credit institutions | 36                   |              |  |                                      |                   |                    |
|  | Other creditors                     | Taxation             | 37           |  | 11                                   |                   |                    |
|  |                                     | Other                | 38           | 31676                                  | 60452                                |                   |                    |
| Accruals and deferred income   | 39                                  |                      |              |  |                                      |                   |                    |
| Provision for adverse changes (calculated in accordance with regulation 61 of the Insurance Companies Regulations 1994)                      | 41                                  |                      |              |  |                                      |                   |                    |
| Total other insurance and non-insurance liabilities (17 to 41)   | 49                                  | 42477                | 78127        |  |                                      |                   |                    |
| Excess of the value of net admissible assets   | 51                                  |                      |              |  |                                      | See Instruction 6 |                    |
| Total liabilities and margins  | 59                                  | 4080415              | 4330963      |  |                                      |                   |                    |
| Amounts included in line 59 attributable to liabilities to related companies, other than those under contracts of insurance or reinsurance   | 61                                  | 1836                 | 1337         |  |                                      |                   |                    |
| Amounts included in line 59 attributable to liabilities in respect of property linked benefits   | 62                                  | 4030363              | 4304522      |  |                                      |                   |                    |
| Amount of any additional mathematical reserves included in line 51 which have been taken into account in the appointed actuary's certificate | 63                                  |                      |              |  |                                      | See Instruction 7 |                    |

## Liabilities (other than long term business)

Name of company **Prudential Pensions Limited**

Global business

Financial year ended **31st December 2000**

|  |                                     | Company registration number | GL/UK/CM | Period ended                           |      |      | Units                                |      |      |
|--|-------------------------------------|-----------------------------|----------|--|------|------|--------------------------------------|------|------|
|  |                                     | R15                         | 992726   | GL                                     | 31   | 12   | 2000                                 | £000 |      |
|  |                                     |                             |          | day month year                         |      |      |                                      |      |      |
|  |                                     |                             |          | As at the end of this financial year 1 |      |      | As at the end of the previous year 2 |      |      |
| Technical provisions (gross amount)  | Provision for unearned premiums     |                             |          | 11                                     |      |      |                                      |      |      |
|  | Claims outstanding                  |                             |          | 12                                     |      |      |                                      |      |      |
|  | Provision for unexpired risks       |                             |          | 13                                     |      |      |                                      |      |      |
|  | Equalisation provisions             | Credit business             |          |  | 14   |      |                                      |      |      |
|  |                                     | Other than credit business  |          |  | 15   |      |                                      |      |      |
|  | Other                               |                             |          | 16                                     |      |      |                                      |      |      |
| Total (11 to 16)   |                                     |                             |          | 19                                     |      |      |                                      |      |      |
| Provisions for other risks and charges   | Taxation                            |                             |          | 21                                     |      |      |                                      |      |      |
|  | Other                               |                             |          | 22                                     |      |      |                                      |      |      |
| Deposits received from reinsurers  |                                     |                             |          | 31                                     |      |      |                                      |      |      |
| Creditors  | Arising out of insurance operations | Direct business             |          |  | 41   |      |                                      |      |      |
|  |                                     | Reinsurance accepted        |          |  | 42   |      |                                      |      |      |
|  |                                     | Reinsurance ceded           |          |  | 43   |      |                                      |      |      |
|  | Debenture loans                     | Secured                     |          |  | 44   |      |                                      |      |      |
|  |                                     | Unsecured                   |          |  | 45   |      |                                      |      |      |
|  | Amounts owed to credit institutions |                             |          |  | 46   |      |                                      |      |      |
|  | Other creditors                     | Taxation                    |          |  | 47   | 8353 |                                      |      | 2511 |
|  |                                     | Recommended dividend        |          |  | 48   |      |                                      |      |      |
|  |                                     | Other                       |          |  | 49   |      |                                      |      |      |
| Accruals and deferred income   |                                     |                             |          | 51                                     |      |      |                                      |      |      |
| Total (19 to 51)   |                                     |                             |          | 59                                     | 8353 |      |                                      | 2511 |      |
| Provision for adverse changes (calculated in accordance with regulation 61 of the Insurance Companies Regulations 1994)                    |                                     |                             |          | 61                                     |      |      |                                      |      |      |
| Cumulative preference share capital  |                                     |                             |          | 62                                     |      |      |                                      |      |      |
| Subordinated loan capital  |                                     |                             |          | 63                                     |      |      |                                      |      |      |
| Total (59 to 63)   |                                     |                             |          | 69                                     | 8353 |      |                                      | 2511 |      |
| Amounts included in line 69 attributable to liabilities to related companies, other than those under contracts of insurance or reinsurance |                                     |                             |          | 71                                     | 996  |      |                                      |      |      |

**Profit and loss account (non-technical account)**Name of company **Prudential Pensions Limited**

Global business

Financial year ended **31st December 2000**

|   |   | Company registration number | GL/UK/CM | Period ended  |    |         | Units |        |
|---|---|-----------------------------|----------|---------------|----|---------|-------|--------|
|   |   | R16                         | 992726   | GL            | 31 | 12      | 2000  | £000   |
|   |   | This financial year         | 1        | Previous year | 2  | Source  |       |        |
|   |   |                             |          |               |    | Form    | Line  | Column |
| Transfer (to)/from the general business technical account                               | From Form 20                                      | 11                          |          |               |    | 20 . 59 |       |        |
|   | Equalisation provisions                           | 12                          |          |               |    |         |       |        |
| Transfer from the long term business revenue account                                    |   | 13                          | 7446     | 5762          |    | 40 . 26 |       |        |
| Investment income   | Income  | 14                          | 662      | 549           |    |         |       |        |
|   | Value re-adjustments on investments               | 15                          |          |               |    |         |       |        |
|   | Gains on the realisation of investments           | 16                          |          |               |    |         |       |        |
| Investment charges  | Investment management charges, including interest | 17                          |          |               |    |         |       |        |
|   | Value re-adjustments on investments               | 18                          |          |               |    |         |       |        |
|   | Loss on the realisation of investments            | 19                          |          |               |    |         |       |        |
| Allocated investment return transferred to the general business technical account       |   | 20                          |          |               |    | 20 . 51 |       |        |
| Other income and charges (particulars to be specified by way of supplementary note)     |   | 21                          | (3)      |               |    |         |       |        |
| Profit or loss on ordinary activities before tax (11+12+13+14+15+16-17-18-19-20+21)     |   | 29                          | 8105     | 6311          |    |         |       |        |
| Tax on profit or loss on ordinary activities  |   | 31                          | 5143     | 1416          |    |         |       |        |
| Profit or loss on ordinary activities after tax (29-31)                                 |   | 39                          | 2962     | 4895          |    |         |       |        |
| 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                          | 2962     | 4895          |    |         |       |        |
| Dividends (paid and proposed)   |   | 51                          |          |               |    |         |       |        |
| Profit or loss retained for the financial year (49-51)                                  |   | 59                          | 2962     | 4895          |    |         |       |        |

## Long term business : Revenue account

Name of company **Prudential Pensions Limited**

Global business

Ordinary business

Financial year ended **31st December 2000**Name and number of fund **Ordinary Long Term 1**

|  | Company registration number | GL/UK/CM | Period ended |       |      | Units | OB/IB              | No of fund/ Summary | No of part of Fund |   |  |
|--|-----------------------------|----------|--------------|-------|------|-------|--------------------|---------------------|--------------------|---|--|
|  |                             |          | day          | month | year |       |                    |                     |                    |   |  |
|  | R40                         | 992726   | GL           | 31    | 12   | 2000  | £000               | OB                  | 1                  | 0 |  |
| <b>Items to be shown net of reinsurance ceded</b>                          |                             |          |              |       |      |       | The financial year | Previous year       |                    |   |  |
|  |                             |          |              |       |      |       | 1                  | 2                   |                    |   |  |
| Earned premiums  |                             |          |              |       |      |       | 11                 | 764702              | 764058             |   |  |
| Investment income receivable before deduction of tax                       |                             |          |              |       |      |       | 12                 | 151961              | 139161             |   |  |
| Increase (decrease) in the value of non-linked assets brought into account |                             |          |              |       |      |       | 13                 | 31                  | (138)              |   |  |
| Increase (decrease) in the value of linked assets                          |                             |          |              |       |      |       | 14                 | (196406)            | 495589             |   |  |
| Other income   |                             |          |              |       |      |       | 15                 |                     |                    |   |  |
| Total income (11 to 15)  |                             |          |              |       |      |       | 19                 | 720288              | 1398670            |   |  |
| Claims incurred  |                             |          |              |       |      |       | 21                 | 912118              | 344960             |   |  |
| Expenses payable   |                             |          |              |       |      |       | 22                 | 12099               | 11557              |   |  |
| Interest payable before deduction of tax                                   |                             |          |              |       |      |       | 23                 | 736                 |                    |   |  |
| Taxation   |                             |          |              |       |      |       | 24                 | 2787                | 1913               |   |  |
| Other expenditure  |                             |          |              |       |      |       | 25                 |                     |                    |   |  |
| Transfer to (from) non technical account                                   |                             |          |              |       |      |       | 26                 | 7446                | 5762               |   |  |
| Total expenditure (21 to 26)   |                             |          |              |       |      |       | 29                 | 935186              | 364192             |   |  |
| Increase (decrease) in fund in financial year (19-29)                      |                             |          |              |       |      |       | 39                 | (214898)            | 1034478            |   |  |
| Fund brought forward   |                             |          |              |       |      |       | 49                 | 4252836             | 3218358            |   |  |
| Fund carried forward (39+49)   |                             |          |              |       |      |       | 59                 | 4037938             | 4252836            |   |  |



## Long term business : Analysis of claims

Name of company **Prudential Pensions Limited**

Global business

Ordinary business

Financial year ended **31st December 2000**Name and number of fund **Ordinary Long Term 1**

|  | Company registration number                          | GL/UK/CM | Period ended |              |      | Units                              | OB/IB | No of fund/ Summary             | No of part of Fund |   |
|--|--|----------|--------------|--------------|------|------------------------------------|-------|---------------------------------|--------------------|---|
|  |  |          | day          | month        | year |                                    |       |                                 |                    |   |
|  | R42  | 992726   | GL           | 31           | 12   | 2000                               | £000  | OB                              | 1                  | 0 |
| <b>Claims incurred in the financial year</b> |  |          |              | <b>Gross</b> |      | <b>Recoverable from reinsurers</b> |       | <b>Net of reinsurance (1-2)</b> |                    |   |
|  |  |          |              | <b>1</b>     |      | <b>2</b>                           |       | <b>3</b>                        |                    |   |
| Life assurance and annuity contracts         | On death   |          |              | 11           |      |                                    |       |                                 |                    |   |
|  | By way of lump sums on maturity                      |          |              | 12           |      |                                    |       |                                 |                    |   |
|  | By way of annuity payments                           |          |              | 13           |      |                                    |       |                                 |                    |   |
|  | By way of payments arising from other insured events |          |              | 14           |      |                                    |       |                                 |                    |   |
|  | On surrender or partial surrender                    |          |              | 15           |      |                                    |       |                                 |                    |   |
|  | Total life assurance and annuity claims (11 to 15)   |          |              | 19           |      |                                    |       |                                 |                    |   |
| Pension business contracts                   | On death   |          |              | 21           |      | 1131                               |       |                                 | 1131               |   |
|  | By way of lump sums on vesting                       |          |              | 22           |      | 13460                              |       |                                 | 13460              |   |
|  | By way of vested annuity payments                    |          |              | 23           |      | 10154                              | 6661  |                                 | 3493               |   |
|  | On surrender or partial surrender                    |          |              | 24           |      | 894034                             |       |                                 | 894034             |   |
|  | Total pension business claims (21 to 24)             |          |              | 29           |      | 918779                             | 6661  |                                 | 912118             |   |
| Permanent health contracts                   | By way of lump sums                                  |          |              | 31           |      |                                    |       |                                 |                    |   |
|  | By way of periodical payments                        |          |              | 32           |      |                                    |       |                                 |                    |   |
|  | Total permanent health claims (31+32)                |          |              | 39           |      |                                    |       |                                 |                    |   |
| Other contracts                              | By way of lump sums                                  |          |              | 41           |      |                                    |       |                                 |                    |   |
|  | By way of periodical payments                        |          |              | 42           |      |                                    |       |                                 |                    |   |
|  | Total claims (41+42)                                 |          |              | 49           |      |                                    |       |                                 |                    |   |
| Total claims (19+29+39+49)                   |  |          |              | 59           |      | 918779                             | 6661  |                                 | 912118             |   |
| Total claims at line 59 attributable to      | UK contracts   |          |              | 61           |      | 918779                             | 6661  |                                 | 912118             |   |
|  | Overseas contracts                                   |          |              | 62           |      |                                    |       |                                 |                    |   |



## Long term business : Summarised balance sheet for internal linked funds

Name of company Prudential Pensions Limited

Global business

Ordinary business

Financial year ended 31st December 2000

Name and number of fund Summary

| Name of fund                         | Directly held assets | Investment in other internal linked funds of the company | Total assets (2+3) | GLUK/CM                                       |                             |                   | Units                     | OB/IB | No. of fund/ Summary | No. of part of Fund |      |
|--------------------------------------|----------------------|--|--------------------|---|-----------------------------|-------------------|---------------------------|-------|----------------------|---------------------|------|
|                                      |                      |  |                    | GL  | 31                          | 12                |                           |       |                      |                     | 2000 |
| R43                                  | 992726               | 992726   | 992726             | GL  | 31                          | 12                | 2000                      | £000  | OB                   | 99                  | 0    |
|                                      |                      |  |                    | Provision for tax on unrealised capital gains | Secured and unsecured loans | Other liabilities | Net asset value (4-5-6-7) |       |                      |                     |      |
| 1                                    | 2                    | 3  | 4                  | 5   | 6                           | 7                 | 8                         |       |                      |                     |      |
| Global Equity (passive)              | 944                  | 98428  | 99372              |   |                             |                   | 99372                     |       |                      |                     |      |
| Index Linked                         | 53848                |  | 53848              |   |                             | 17                | 53831                     |       |                      |                     |      |
| Index Linked (passive)               | 49809                |  | 49809              |   |                             | 3                 | 49806                     |       |                      |                     |      |
| Internal Long Dated Corporate Bond   | 52376                |  | 52376              |   |                             | 1603              | 50773                     |       |                      |                     |      |
| Internal Medium Dated Corporate Bond | 5086                 |  | 5086               |   |                             | 6                 | 5080                      |       |                      |                     |      |
| Internal Short Dated Corporate Bond  | 22742                |  | 22742              |   |                             |                   | 22742                     |       |                      |                     |      |
| International                        | 7150                 | 596836   | 603986             |   |                             | 1                 | 603985                    |       |                      |                     |      |
| International (passive)              |                      | 1005   | 1005               |   |                             |                   | 1005                      |       |                      |                     |      |
| International Bond                   | 137445               |  | 137445             |   |                             | 3536              | 133909                    |       |                      |                     |      |
| Japan                                | 117611               |  | 117611             |   |                             | 2694              | 114917                    |       |                      |                     |      |
| Japan (passive)                      | 41308                |  | 41308              |   |                             | 9443              | 31865                     |       |                      |                     |      |
| Light Green                          | 3026                 |  | 3026               |   |                             | 2                 | 3024                      |       |                      |                     |      |
| Long Dated Corporate Bond            | 111506               |  | 111506             |   |                             | 23                | 111483                    |       |                      |                     |      |
| Total                                |                      |  |                    |   |                             |                   |                           |       |                      |                     |      |

## Long term business : Summarised balance sheet for internal linked funds

## Name of company Prudential Pensions Limited

Global business

Ordinary business

Financial year ended 31st December 2000

## Name and number of fund Summary

| Name of fund                    | Directly held assets | Investment in other internal linked funds of the company | Total assets (2+3) | GLUK/CM                                       |                             |                   | Period ended              |      |      | Units | OB/IB | No of fund/ Summary | No of part of Fund |
|---------------------------------|----------------------|--|--------------------|---|-----------------------------|-------------------|---------------------------|------|------|-------|-------|---------------------|--------------------|
|                                 |                      |  |                    | GL  | 31                          | 12                | 2000                      | 2000 | £000 |       |       |                     |                    |
| 1                               | 2                    | 3  | 4                  | 5   | 6                           | 7                 | 8                         |      |      |       |       |                     |                    |
| R43                             | 992726               | 992726   | 992726             | GL  | 31                          | 12                | 2000                      | 2000 | £000 | OB    | OB    | 99                  | 0                  |
|                                 |                      |  |                    | Provision for tax on unrealised capital gains | Secured and unsecured loans | Other liabilities | Net asset value (4-5-6-7) |      |      |       |       |                     |                    |
| Long Term Gilt                  | 217054               |  | 217054             |   |                             | 14                | 217040                    |      |      |       |       |                     |                    |
| North America                   | 115239               |  | 115239             |   |                             | 4782              | 110457                    |      |      |       |       |                     |                    |
| North America (passive)         | 26976                |  | 26976              |   |                             | 105               | 26871                     |      |      |       |       |                     |                    |
| Pacific Basin (excluding Japan) | 105872               |  | 105872             |   |                             | 3391              | 102481                    |      |      |       |       |                     |                    |
| Pacific Markets (passive)       | 36632                |  | 36632              |   |                             | 1707              | 34925                     |      |      |       |       |                     |                    |
| Property                        | 345457               |  | 345457             |   |                             | 8060              | 337397                    |      |      |       |       |                     |                    |
| Smaller Companies               | 125806               |  | 125806             |   |                             | 1103              | 124703                    |      |      |       |       |                     |                    |
| Specialist UK Equity            | 27034                |  | 27034              |   |                             | 877               | 26157                     |      |      |       |       |                     |                    |
| MPP cash                        |                      | 5137   | 5137               |   |                             | 2                 | 5135                      |      |      |       |       |                     |                    |
| MPP discretionary               |                      | 313820   | 313820             |   |                             | 76                | 313744                    |      |      |       |       |                     |                    |
| MPP equity                      |                      | 33893  | 33893              |   |                             | 8                 | 33885                     |      |      |       |       |                     |                    |
| MPP equity (passive)            |                      | 1599   | 1599               |   |                             | 5                 | 1594                      |      |      |       |       |                     |                    |
| MPP fixed interest              |                      | 6115   | 6115               |   |                             | 2                 | 6113                      |      |      |       |       |                     |                    |
| Total                           |                      |  |                    |   |                             |                   |                           |      |      |       |       |                     |                    |

Returns under Insurance Companies Legislation

Long term business : Summarised balance sheet for internal linked funds

Name of company Prudential Pensions Limited

Global business

Ordinary business

Financial year ended 31st December 2000

Name and number of fund Summary

| Name of fund                | Directly held assets | Investment in other internal linked funds of the company | Total assets (2+3) | GLUUK/CM |        |    | Period ended |    |      | Units | OB/IB | No of fund/ Summary | No of part of Fund |
|-----------------------------|----------------------|--|--------------------|----------|--------|----|--------------|----|------|-------|-------|---------------------|--------------------|
|                             |                      |  |                    | R43      | 992726 | GL | 31           | 12 | 2000 |       |       |                     |                    |
| 1                           | 2                    | 3  | 4                  | 5        | 6      | 7  | 8            |    |      |       |       |                     |                    |
| MPP global equity           |                      | 55398  | 55398              |          |        | 13 | 55385        |    |      |       |       |                     |                    |
| MPP global equity (passive) |                      | 127  | 127                |          |        |    | 127          |    |      |       |       |                     |                    |
| MPP index linked            |                      | 3018   | 3018               |          |        | 1  | 3017         |    |      |       |       |                     |                    |
| MPP international           |                      | 15947  | 15947              |          |        | 4  | 15943        |    |      |       |       |                     |                    |
| MPP international bond      |                      | 681  | 681                |          |        |    | 681          |    |      |       |       |                     |                    |
| MPP property                |                      | 1881   | 1881               |          |        |    | 1881         |    |      |       |       |                     |                    |
| MPP retirement protection   |                      | 6718   | 6718               |          |        | 2  | 6716         |    |      |       |       |                     |                    |
| MPP socially responsible    |                      | 83   | 83                 |          |        |    | 83           |    |      |       |       |                     |                    |
| Prulink cash                |                      | 518  | 518                |          |        |    | 518          |    |      |       |       |                     |                    |
| Prulink managed             |                      | 76447  | 76447              |          |        |    | 76447        |    |      |       |       |                     |                    |
| MPP series II cash          |                      | 2  | 2                  |          |        |    | 2            |    |      |       |       |                     |                    |
| MPP series II discretionary |                      | 457  | 457                |          |        | 1  | 456          |    |      |       |       |                     |                    |
| MPP series II equity        |                      | 219  | 219                |          |        | 1  | 218          |    |      |       |       |                     |                    |
| Total                       |                      |  |                    |          |        |    |              |    |      |       |       |                     |                    |



## Long term business : Aggregate revenue account for internal linked funds

Name of company **Prudential Pensions Limited**

Global business

Ordinary business

Financial year ended **31st December 2000**Name and number of fund **Ordinary Long Term 1**

|   | Company registration number | GL/UK/CM | Period ended |       |      | Units | OB/IB | No of fund/ Summary | No of part of Fund |          |
|---|-----------------------------|----------|--------------|-------|------|-------|-------|---------------------|--------------------|----------|
|   |                             |          | day          | month | year |       |       |                     |                    |          |
|   | R44                         | 992726   | GL           | 31    | 12   | 2000  | £000  | OB                  | 1                  | 0        |
| Value of total creation of units  |                             |          |              |       |      |       | 11    |                     |                    | 764684   |
| Investment income attributable to the funds before deduction of tax               |                             |          |              |       |      |       | 12    |                     |                    | 149511   |
| Increase (decrease) in the value of investments in the financial year             |                             |          |              |       |      |       | 13    |                     |                    | (196406) |
| Other income  |                             |          |              |       |      |       | 14    |                     |                    |          |
| Total income (11 to 14)   |                             |          |              |       |      |       | 19    |                     |                    | 717789   |
| Value of total cancellation of units  |                             |          |              |       |      |       | 21    |                     |                    | 912883   |
| Charges for management  |                             |          |              |       |      |       | 22    |                     |                    | 13504    |
| Charges in respect of tax on investment income                                    |                             |          |              |       |      |       | 23    |                     |                    | 2787     |
| Taxation on realised capital gains  |                             |          |              |       |      |       | 24    |                     |                    |          |
| Increase (decrease) in amount set aside for tax on capital gains not yet realised |                             |          |              |       |      |       | 25    |                     |                    |          |
| Other expenditure   |                             |          |              |       |      |       | 26    |                     |                    | 4418     |
| Total expenditure (21 to 26)  |                             |          |              |       |      |       | 29    |                     |                    | 933592   |
| Increase (decrease) in funds in financial year (19-29)                            |                             |          |              |       |      |       | 39    |                     |                    | (215803) |
| Internal linked funds brought forward   |                             |          |              |       |      |       | 49    |                     |                    | 4246166  |
| Internal linked funds carried forward (39+49)                                     |                             |          |              |       |      |       | 59    |                     |                    | 4030363  |

## Long term business : Supplementary information for internal linked funds

Name of company **Prudential Pensions Limited**

Global business

Ordinary business

Financial year ended **31st December 2000**Name and number of fund **Ordinary Long Term 1**

| Name of fund                        | Company registration number                       | GL/UK/CM   | Period ended   |                      |                          | Units | OB/IB | No of fund | No of part of Fund |   |
|-------------------------------------|---|--|--|----------------------|--------------------------|-------|-------|------------|--------------------|---|
|                                     |   |  | day  | month                | year                     |       |       |            |                    |   |
|                                     | R45   | 992726   | GL   | 31                   | 12                       | 2000  | £000  | OB         | 1                  | 0 |
| 1                                   | 2   | 3  | 4  | 5                    | 6                        |       |       |            |                    |   |
|                                     | Amount of taxable unrealised capital gain or loss | Percentage provision for tax on unrealised capital gains | Percentage provision for tax on realised capital gains | Liquidity percentage | Valuation price per unit |       |       |            |                    |   |
| All Stocks Corporate Bond           |   |  |  | 2.26                 | 11.0315                  |       |       |            |                    |   |
| Balanced Non Property               |   |  |  | 0.02                 | 9.6030                   |       |       |            |                    |   |
| Cash                                |   |  |  | 27.70                | 51.7664                  |       |       |            |                    |   |
| Consensus                           |   |  |  | 0.00                 | 9.6905                   |       |       |            |                    |   |
| Discretionary                       |   |  |  | 0.42                 | 512.7007                 |       |       |            |                    |   |
| Emerging Markets                    |   |  |  | 1.28                 | 11.6670                  |       |       |            |                    |   |
| Equity                              |   |  |  | 3.03                 | 673.8740                 |       |       |            |                    |   |
| UK Equity (passive)                 |   |  |  | 0.07                 | 12.3114                  |       |       |            |                    |   |
| Europe                              |   |  |  | 3.53                 | 16.7474                  |       |       |            |                    |   |
| Europe (passive)                    |   |  |  | 0.33                 | 12.2790                  |       |       |            |                    |   |
| Fixed Interest                      |   |  |  | 70.28                | 234.3525                 |       |       |            |                    |   |
| GEI                                 |   |  |  | 22.61                | 0.5351                   |       |       |            |                    |   |
| Global Equity                       |   |  |  | 1.34                 | 28.8923                  |       |       |            |                    |   |
| Global Equity (passive)             |   |  |  | 0.95                 | 10.9031                  |       |       |            |                    |   |
| Index Linked                        |   |  |  | 99.15                | 167.4154                 |       |       |            |                    |   |
| Index Linked (passive)              |   |  |  | 99.17                | 13.3511                  |       |       |            |                    |   |
| Internal Long Dated Corporate Bond  |   |  |  | (1.80)               | 10.8395                  |       |       |            |                    |   |
| Internal Medium Dated Coporate Bond |   |  |  | 1.57                 | 10.3371                  |       |       |            |                    |   |
| Internal Short Dated Corporate Bond |   |  |  | 1.52                 | 10.4325                  |       |       |            |                    |   |
| International                       |   |  |  | 0.49                 | 67.5901                  |       |       |            |                    |   |
| International (passive)             |   |  |  | 0.00                 | 10.0461                  |       |       |            |                    |   |
| International Bond                  |   |  |  | 0.13                 | 27.4020                  |       |       |            |                    |   |
| Japan                               |   |  |  | 1.35                 | 7.2783                   |       |       |            |                    |   |

## Long term business : Supplementary information for internal linked funds

Name of company **Prudential Pensions Limited**

Global business

Ordinary business

Financial year ended **31st December 2000**Name and number of fund **Ordinary Long Term 1**

| Name of fund<br>1               | Company registration number                       | GL/UK/CM   | Period ended   |                      |                          | Units | OB/IB | No of fund | No of part of Fund |   |
|---------------------------------|---|--|--|----------------------|--------------------------|-------|-------|------------|--------------------|---|
|                                 |   |  | day  | month                | year                     |       |       |            |                    |   |
|                                 | R45   | 992726   | GL   | 31                   | 12                       | 2000  | £000  | OB         | 1                  | 0 |
|                                 | Amount of taxable unrealised capital gain or loss | Percentage provision for tax on unrealised capital gains | Percentage provision for tax on realised capital gains | Liquidity percentage | Valuation price per unit |       |       |            |                    |   |
|                                 | 2   | 3  | 4  | 5                    | 6                        |       |       |            |                    |   |
| Japan (passive)                 |   |  |  | (29.51)              | 9.9545                   |       |       |            |                    |   |
| Light Green                     |   |  |  | 2.07                 | 10.0995                  |       |       |            |                    |   |
| Long Dated Corporate Bond       |   |  |  | 0.89                 | 13.1483                  |       |       |            |                    |   |
| Long Term Gilt                  |   |  |  | 99.32                | 21.1947                  |       |       |            |                    |   |
| North America                   |   |  |  | 1.17                 | 12.6475                  |       |       |            |                    |   |
| North America (passive)         |   |  |  | 0.15                 | 10.5958                  |       |       |            |                    |   |
| Pacific Basin (excluding Japan) |   |  |  | (0.84)               | 8.6042                   |       |       |            |                    |   |
| Pacific Markets (passive)       |   |  |  | (4.69)               | 10.5538                  |       |       |            |                    |   |
| Property                        |   |  |  | 0.33                 | 257.8135                 |       |       |            |                    |   |
| Smaller Companies               |   |  |  | 13.94                | 9.3283                   |       |       |            |                    |   |
| Specialist UK Equity            |   |  |  | 4.92                 | 15.3785                  |       |       |            |                    |   |
| MPP cash                        |   |  |  | (0.03)               | 1.7099                   |       |       |            |                    |   |
| MPP discretionary               |   |  |  | (0.02)               | 2.6911                   |       |       |            |                    |   |
| MPP equity                      |   |  |  | (0.02)               | 3.1819                   |       |       |            |                    |   |
| MPP equity (passive)            |   |  |  | 0.00                 | 0.9622                   |       |       |            |                    |   |
| MPP fixed interest              |   |  |  | (0.03)               | 2.5173                   |       |       |            |                    |   |
| MPP global equity               |   |  |  | (10.26)              | 2.8250                   |       |       |            |                    |   |
| MPP global equity (passive)     |   |  |  | 0.00                 | 0.9398                   |       |       |            |                    |   |
| MPP index linked                |   |  |  | (0.03)               | 2.2761                   |       |       |            |                    |   |
| MPP international               |   |  |  | (0.02)               | 2.1385                   |       |       |            |                    |   |
| MPP international bond          |   |  |  | (0.03)               | 1.8425                   |       |       |            |                    |   |
| MPP property                    |   |  |  | (0.02)               | 2.2953                   |       |       |            |                    |   |
| MPP retirement protection       |   |  |  | (0.03)               | 1.7592                   |       |       |            |                    |   |

## Long term business : Supplementary information for internal linked funds

Name of company **Prudential Pensions Limited**

Global business

Ordinary business

Financial year ended **31st December 2000**Name and number of fund **Ordinary Long Term 1**

| Name of fund                         | Company registration number | GL/UK/CM | Period ended |        |         | Units | OB/IB | No of fund | No of part of Fund |   |
|--------------------------------------|-----------------------------|----------|--------------|--------|---------|-------|-------|------------|--------------------|---|
|                                      |                             |          | day          | month  | year    |       |       |            |                    |   |
|                                      | R45                         | 992726   | GL           | 31     | 12      | 2000  | £000  | OB         | 1                  | 0 |
| 1                                    | 2                           | 3        | 4            | 5      | 6       |       |       |            |                    |   |
| MPP socially responsible             |                             |          |              | (0.10) | 0.9318  |       |       |            |                    |   |
| Prulink cash                         |                             |          |              | (0.10) | 4.5167  |       |       |            |                    |   |
| Prulink managed                      |                             |          |              | 0.00   | 11.0872 |       |       |            |                    |   |
| MPP series II cash                   |                             |          |              | (0.26) | 1.1287  |       |       |            |                    |   |
| MPP series II discretionary          |                             |          |              | (0.26) | 1.0468  |       |       |            |                    |   |
| MPP series II equity                 |                             |          |              | (0.25) | 1.0171  |       |       |            |                    |   |
| MPP series II UK equity (passive)    |                             |          |              | (0.63) | 0.9910  |       |       |            |                    |   |
| MPP series II fixed interest         |                             |          |              | (0.22) | 1.1654  |       |       |            |                    |   |
| MPP series II global equity          |                             |          |              | (0.68) | 0.9386  |       |       |            |                    |   |
| MPP series II index linked           |                             |          |              | (0.19) | 1.1947  |       |       |            |                    |   |
| MPP series II index linked (passive) |                             |          |              | (0.59) | 1.0592  |       |       |            |                    |   |
| MPP series II international bond     |                             |          |              | (0.22) | 1.1532  |       |       |            |                    |   |
| MPP series II international equity   |                             |          |              | (0.64) | 0.9810  |       |       |            |                    |   |
| MPP series II property               |                             |          |              | (0.20) | 1.2030  |       |       |            |                    |   |
| MPP series II retirement protection  |                             |          |              | (0.56) | 1.1129  |       |       |            |                    |   |
|                                      |                             |          |              |        |         |       |       |            |                    |   |
|                                      |                             |          |              |        |         |       |       |            |                    |   |
|                                      |                             |          |              |        |         |       |       |            |                    |   |
|                                      |                             |          |              |        |         |       |       |            |                    |   |
|                                      |                             |          |              |        |         |       |       |            |                    |   |
|                                      |                             |          |              |        |         |       |       |            |                    |   |
|                                      |                             |          |              |        |         |       |       |            |                    |   |
|                                      |                             |          |              |        |         |       |       |            |                    |   |
|                                      |                             |          |              |        |         |       |       |            |                    |   |

SCHEDULE 4

Valuation Report as at 31 December 2000

1. The investigation relates to 31 December 2000.
2. The previous investigation related to 31 December 1999.
3. The valuation of the liabilities of long term business shown in this report conforms with Regulation 64 of the Insurance Companies Regulations 1994 (as amended).
4. Non-linked business arises from annuities purchased under the option available in the linked contracts; see Form 51.
5. (1) Categories of in force linked business are as follows:
  - A. The Group Investment Linked Plan (GILP)
    - (a) The Group Investment Linked Plan (GILP).
    - (b) The contract type is: United Kingdom, pensions business, direct written business and reinsurance accepted, non-profit, group pension.
    - (c) Premiums are payable as single premiums.
    - (d) The benefits are the realisation values of the units held in the internal linked funds.

Units are surrendered to release cash to provide benefits for members of the pension schemes for which the policyholders are trustees.

Units may also be surrendered on the same terms if premiums are discontinued.

All policies contain an open market option and an option to secure an annuity on the then current annuity rates.
    - (e) There are no guaranteed investment returns.
    - (f) The charges made by the Company are:

a continuing investment charge of a percentage of the value of units, deducted as 1/365 of the annual amount each day, of:-

|                                      |            |
|--------------------------------------|------------|
| Smaller Companies Fund               | 0.75% p.a. |
| Balanced Non Property Fund           | 0.50% p.a. |
| Specialist UK Equity Fund            | 0.50% p.a. |
| Light Green Fund                     | 0.35% p.a. |
| All Stocks Corporate Bond Fund       | 0.30% p.a. |
| Emerging Markets Fund                | 0.30% p.a. |
| Equity Fund                          | 0.30% p.a. |
| Europe Fund                          | 0.30% p.a. |
| Global Equity Fund                   | 0.30% p.a. |
| International Fund                   | 0.30% p.a. |
| Japan Fund                           | 0.30% p.a. |
| Long Dated Corporate Bond Fund       | 0.30% p.a. |
| North America Fund                   | 0.30% p.a. |
| Pacific Basin (excluding Japan) Fund | 0.30% p.a. |
| Property Fund                        | 0.30% p.a. |
| Fixed Interest Fund                  | 0.25% p.a. |
| Index Linked Fund                    | 0.25% p.a. |
| International Bond Fund              | 0.25% p.a. |

## Valuation Report as at 31 December 2000 (cont.)

|   |            |
|---|------------|
| Consensus Fund                            | 0.15% p.a. |
| UK Equity (Passive) Fund                  | 0.15% p.a. |
| Europe (Passive) Fund                     | 0.15% p.a. |
| Global Equity (Passive) Fund              | 0.15% p.a. |
| International (Passive) Fund              | 0.15% p.a. |
| Japan (Passive) Fund                      | 0.15% p.a. |
| North America (Passive) Fund              | 0.15% p.a. |
| Pacific Markets (Passive) Fund            | 0.15% p.a. |
| Cash Fund                                 | 0.10% p.a. |
| Index Linked (Passive) Fund               | 0.10% p.a. |
| Long Term Gilt Fund                       | 0.10% p.a. |
| <br>                                      |            |
| GEI Fund                                  | 0.00% p.a. |
| Internal Long Dated Corporate Bond Fund   | 0.00% p.a. |
| Internal Medium Dated Corporate Bond Fund | 0.00% p.a. |
| Internal Short Dated Corporate Bond Fund  | 0.00% p.a. |

Discretionary Fund charges are a weighted average of its constituent sector fund charges.

(investment charges are allowed for in the offer and bid prices)

an annual scheme investment charge of £500

additional services are charged on a cost basis

- (g) The Company may increase these charges at any time upon giving six months notice.
- (h) See (d) above.
- (i) Benefits are determined by reference to the value of internal linked funds. The following funds are available:

### Fund

All Stocks Corporate Bond Fund  
Balanced Non Property Fund  
Cash Fund  
Consensus Fund  
Discretionary Fund  
Emerging Markets Fund  
Equity Fund  
UK Equity (Passive) Fund  
Europe Fund  
Europe (Passive) Fund  
Fixed Interest Fund  
GEI Fund  
Global Equity Fund  
Global Equity (Passive) Fund  
Index Linked Fund  
Index Linked (Passive) Fund  
Internal Long Dated Corporate Bond Fund  
Internal Medium Dated Corporate Bond Fund  
Internal Short Dated Corporate Bond Fund  
International Fund  
International (Passive) Fund  
International Bond Fund  
Japan Fund  
Japan (Passive) Fund  
Light Green Fund  
Long Dated Corporate Bond Fund  
Long Term Gilt Fund  
North America Fund

## Valuation Report as at 31 December 2000 (cont.)

North America (Passive) Fund  
Pacific Basin (excluding Japan) Fund  
Pacific Markets (Passive) Fund  
Property Fund  
Smaller Companies Fund  
Specialist UK Equity Fund

The general nature of the investments of each Prudential Pensions Limited internal linked fund is as follows:

All Stocks Corporate Bond Fund: Predominantly high quality sterling corporate debt, with a longer than average maturity.

Balanced Non Property Fund: Holdings currently in the following funds:

Cash Fund  
Emerging Markets Fund  
Europe Fund  
Fixed Interest Fund  
Index Linked Fund  
International Bond Fund  
Japan Fund  
North America Fund  
Pacific Basin (excluding Japan) Fund  
Specialist UK Equity Fund

Cash Fund: Short term money market deposits and instruments.

Consensus Fund: Holdings currently in the following funds:

Cash Fund  
Emerging Markets Fund  
Europe (Passive) Fund  
Index Linked (Passive) Fund  
International Bond Fund  
Japan (Passive) Fund  
Long Term Gilt Fund  
North America (Passive) Fund  
Pacific Markets (Passive) Fund  
Property Fund  
UK Equity (Passive) Fund

Discretionary Fund: Holdings currently in the following funds:

Cash Fund  
Equity Fund  
Fixed Interest Fund  
International Fund  
International Bond Fund  
Light Green Fund  
Long Dated Corporate Bond Fund  
Property Fund

Emerging Markets Fund: Stocks and shares of companies in South America and South Africa.

Equity Fund: Stocks and shares of companies in the United Kingdom and investments in the UK Equity (Passive) and Smaller Companies Funds.

UK Equity (Passive) Fund: Stocks and shares of companies in the United Kingdom.

## Valuation Report as at 31 December 2000 (cont.)

|  |   |
|--|---|
| Europe Fund:                               | Stocks and shares of European companies and holdings of European currencies.  |
| Europe (Passive) Fund:                     | Stocks and shares of European companies and holdings of European currencies.  |
| Fixed Interest Fund:                       | Fixed interest securities issued by the UK Government and UK companies and units of the Long Dated Corporate Bond and All Stocks Corporate Bond Funds.  |
| GEI Fund:                                  | UK listed securities of GEI International plc   |
| Global Equity Fund:                        | Units of the Equity and International Funds.  |
| Global Equity (Passive) Fund:              | Units of the UK Equity (Passive), Europe (Passive), Japan (Passive), North America (Passive), Pacific Markets (Passive) and Emerging Markets Funds.   |
| Index Linked Fund:                         | Index linked securities.  |
| Index Linked (Passive) Fund:               | Index linked securities.  |
| Internal Long Dated Corporate Bond Fund:   | Predominantly high quality sterling corporate debt with a maturity date of over 15 years.   |
| Internal Medium Dated Corporate Bond Fund: | Predominantly high quality sterling corporate debt with a maturity date of between 5 and 15 years.  |
| Internal Short Dated Corporate Bond Fund:  | Predominantly high quality sterling corporate debt with a maturity less than 5 years.   |
| International Fund:                        | Stocks and shares of overseas companies and holdings of foreign currencies and investments in the Emerging Markets, Europe, Japan, North America, International (Passive), Pacific Basin (excluding Japan), North America (Passive), Europe (Passive), Japan (Passive) and Pacific Markets (Passive) Funds. |
| International (Passive) Fund:              | Units of the Europe (Passive), Japan (Passive), North America (Passive) and Pacific Markets (Passive) Funds.  |
| International Bond Fund:                   | Fixed interest securities issued by UK and overseas governments and corporations.   |
| Japan Fund:                                | Stocks and shares of Japanese companies and holdings of Japanese currencies.  |
| Japan (Passive) Fund:                      | Stocks and shares of Japanese companies and holdings of Japanese currencies.  |
| Light Green Fund:                          | Stocks and shares of companies in the United Kingdom.   |
| Long Dated Corporate Bond Fund:            | High quality sterling corporate debt  |
| Long Term Gilt Fund:                       | UK Government fixed interest securities with outstanding terms of 15 years or more.   |

## Valuation Report as at 31 December 2000 (cont.)

|                                       |  |
|---------------------------------------|--|
| North America Fund:                   | Stocks and shares of North American companies and holdings of North American currencies.   |
| North America (Passive) Fund:         | Stocks and shares of North American companies and holdings of North American currencies.   |
| Pacific Basin (excluding Japan) Fund: | Stocks and shares of Pacific Basin (excluding Japanese) companies and holdings of Pacific Basin (excluding Japanese) currencies. |
| Pacific Markets (Passive) Fund:       | Stocks and shares of Pacific Basin (excluding Japanese) companies and holdings of Pacific Basin (excluding Japanese) currencies. |
| Property Fund:                        | Office, shop, industrial and agricultural properties in the UK.  |
| Smaller Companies Fund:               | Shares of UK Smaller Companies.  |
| Specialist UK Equity Fund:            | Shares of UK quoted companies.   |

The policyholder may invest in any or all of these funds except that:

- the GEI Fund is only available to the trustees of the GEI Pension Scheme.
- The Internal Short, Medium and Long Dated Corporate Bond Funds are only available to segregated fund schemes managed by M&G Investment Management Limited.

Expenses incurred by M&G in the maintenance of assets are charged to the respective funds. M&G charge PPL a management fee for their services.

- (j) None.
- (k) The contract was open to new business during the year to the valuation date.
- (l) There were no increases to the rates of charge applied to these contracts during the reporting period except for the Long Dated Corporate Bond Fund, which raised its charge from 0.25% p.a. to 0.30% p.a..

### B. The Pensions Investment Account (PIA)

- (a) The Pensions Investment Account (PIA)
- (b) The contract type is: United Kingdom, pensions business, direct written business, non-profit, group pension.
- (c) Premiums are payable as single premiums.
- (d) The benefits are the realisation values of the units held in the internal linked funds.

Units are surrendered to release cash to provide benefits for members of the pension scheme for which the policyholders are trustees.

Units may also be surrendered on the same terms if premiums are discontinued.

All policies contain an open market option and an option to secure an annuity on the then current annuity rates.

- (e) There are no guaranteed investment returns.
- (f) The charges made by the Company are:

## Valuation Report as at 31 December 2000 (cont.)

an initial investment charge of 5% of each premium paid

a continuing investment charge of 0.75% p.a. of the value of the units, deducted as 1/365 of 0.75% each day

(the initial and continuing investment charges are allowed for in the offer and bid prices)

the percentage of premium applied to the purchase of units, assuming 4% commission is payable, is derived as follows:

| <u>Amount Invested</u> | <u>Unit Allocation</u> |
|------------------------|------------------------|
| £5,000 - £49,000       | 99.0%                  |
| £50,000 - £99,000      | 100.0%                 |
| £100,000 +             | 100.5%                 |

If a new investment increases the total amount invested into a higher unit allocation band, then the whole of the new investment will qualify for the increased unit allocation.

Higher allocations have been granted in appropriate circumstances with a maximum allocation rate of 102%.

- (g) The Company may increase these charges at any time upon giving six months notice.
- (h) See (d) above.
- (i) Benefits are determined by reference to the value of internal linked funds. The following funds are available:

Fund  
MPP Cash Fund  
MPP Discretionary Fund  
MPP Equity Fund  
MPP Fixed Interest  
MPP Global Equity Fund  
MPP Index Linked  
MPP International Fund  
MPP Property Fund

These funds are wholly invested in the GILP funds of the same name. See 5(1)(A)(i) above.

- (j) None.
- (k) The contract was open to new business during the year to the valuation date.
- (l) There were no increases to the rates of charge applied to these contracts during the reporting period.

### C. The Pru-Link Retirement Plan (PLRP)

- (a) The Pru-Link Retirement Plan (PLRP).
- (b) The contract type is: United Kingdom, pensions business, direct written business, non-profit, deferred annuity.
- (c) Regular and single premiums are accepted.

## Valuation Report as at 31 December 2000 (cont.)

- (d) On retirement the bid value of units allocated will be available to purchase a pension from Prudential Pensions Limited (PPL) and to provide cash (subject to Inland Revenue Limits). Alternatively the open market option can be taken where the cash value of units allocated would be transferred to purchase a pension from another life office.

On death the bid value of units allocated is payable.

On discontinuance of premiums under a Regular Premium Plan policy, the Plan will be made paid-up. The number of units allocated is subject to a small reduction in order to pay a charge to cover future administration expenses. The amount of the charge (currently £25) is at the discretion of the Company. Any balance of units remaining will provide benefits on either death or retirement.

- (e) There is a guarantee that the unit price of the Pru-Link Cash Fund will not go down.
- (f) The charges made by the Company are:

an initial investment charge of 4% of each premium paid

a continuing investment charge of 0.75% p.a. of the offer value of the fund, deducted as 1/365 of 0.75% each day

(the initial and continuing investment charges are allowed for in the offer and bid prices)

Further charges are made depending on whether the plan is a single premium plan or a regular premium plan or a top-up to an existing plan:

### Single Premium Plan

100% of the premium after deduction of a policy fee was invested. The latest policy fee was £75 in 1988.

### Regular Premium Plan

After deducting the policy fees the following percentages of premiums will be invested in units. For ages other than those shown, the percentage is obtained by interpolation.

| Age next birthday<br>At<br>commencement | Premiums payable in the<br>first year of the plan         |                           | Premiums payable<br>in the second and<br>subsequent years       |
|---|---|---------------------------|---|
|   | Monthly,<br>quarterly, or half-<br>yearly premiums<br>(%) | Yearly<br>premiums<br>(%) | Monthly, quarterly,<br>half-yearly or yearly<br>premiums<br>(%) |
| 46 and below                            | 25.0  | 32.50                     | 100   |
| 50                                      | 35.0  | 41.50                     | 100   |
| 55                                      | 47.5  | 52.75                     | 100   |
| 60                                      | 60.0  | 64.00                     | 100   |
| 65                                      | 72.5  | 72.25                     | 100   |
| 70                                      | 85.0  | 86.50                     | 100   |

## Valuation Report as at 31 December 2000 (cont.)

The policy fee deducted from the regular premiums paid depends on the original year of issue of the policy and both the frequency and method of premium payments. In December 2000 the policy fee for monthly premium payments (by standing order or direct debit) ranged from 50p to £1.20.

### Top Ups

When additional single premiums are paid or regular premiums commence no further policy fees will be charged.

- (g) The allocation rates for future top-ups are not guaranteed. The Company may increase the continuing investment charge upon giving six months notice.
- (h) See (d) above.
- (i) Benefits are determined by reference to the value of internal linked funds. The following funds are available:

#### Fund

Pru-Link Managed Fund  
Pru-Link Cash Fund

The Pru-Link Managed Fund is wholly invested in the MPP Discretionary Fund.

The Pru-Link Cash Fund is wholly invested in the MPP Cash Fund.

See 5(1)(B)(i) above.

- (j) None.
- (k) The Pru-Link Retirement Plan was closed to new business with effect from 1 July 1988. Top ups to existing policies are allowed.
- (l) There were no increases to the rates of charge applied to these contracts during the reporting period.

### D. PACL Group Business Reassurance accepted

- (a) Group pension investment-linked unit liabilities reassured from Prudential Assurance Company Limited (PACL).
- (b) The contract type is: United Kingdom, pensions business, reassurance accepted, non-profit, group pension.
- (c) The underlying contracts in PACL accept regular and single premiums.
- (d) Cover is granted in respect of:
  - retirement benefits;
  - transfer benefits;
  - death benefits; and,
  - sums representing transfer values of investment redispersions: to the extent that, in each case, the value therefore is determined by reference to the realisation value of notionally realised units of the Funds or is met by the cancellation of such units.
- (e) There are no guaranteed investment returns.
- (f) The charges made by the Company are:

a continuing investment charge of a percentage of the value of units, deducted as 1/365 of the annual amount each day, of:-

Valuation Report as at 31 December 2000 (cont.)

|   |            |
|---|------------|
| MPP Cash Fund                             | 0.75% p.a. |
| MPP Discretionary Fund                    | 0.75% p.a. |
| MPP Equity Fund                           | 0.75% p.a. |
| MPP Fixed Interest Fund                   | 0.75% p.a. |
| MPP Global Equity Fund                    | 0.75% p.a. |
| MPP Index Linked Fund                     | 0.75% p.a. |
| MPP International Fund                    | 0.75% p.a. |
| MPP International Bond Fund               | 0.75% p.a. |
| MPP Property Fund                         | 0.75% p.a. |
| MPP Retirement Protection Fund            | 0.75% p.a. |
| MPP Socially Responsible Fund             | 0.75% p.a. |
| MPP Equity (Passive) Fund                 | 0.65% p.a. |
| MPP Global Equity (Passive) Fund          | 0.15% p.a. |
| MPP Series II Cash Fund                   | 1.00% p.a. |
| MPP Series II Discretionary Fund          | 1.00% p.a. |
| MPP Series II Equity Fund                 | 1.00% p.a. |
| MPP Series II Fixed Interest Fund         | 1.00% p.a. |
| MPP Series II Global Equity Fund          | 1.00% p.a. |
| MPP Series II Index Linked Fund           | 1.00% p.a. |
| MPP Series II International Bond Fund     | 1.00% p.a. |
| MPP Series II International Equity Fund   | 1.00% p.a. |
| MPP Series II Property Fund               | 1.00% p.a. |
| MPP Series II Index Linked (Passive) Fund | 0.90% p.a. |
| MPP Series II UK Equity (Passive) Fund    | 0.90% p.a. |
| MPP Series II Retirement Protection Fund  | 0.90% p.a. |

which is reflected in the offer and bid prices; this charge is then refunded to PACL

the charge payable to PPL by PACL under the reinsurance agreement is a continuing investment charge of 0.25% p.a. of the value of the units

- (g) The Company may increase these charges upon giving three months notice.
- (h) See (d) above.
- (i) Benefits are determined by reference to the value of internal linked funds. The following funds are available :

Fund

MPP Cash Fund  
MPP Discretionary Fund  
MPP Equity Fund  
MPP Equity (Passive) Fund  
MPP Fixed Interest Fund  
MPP Global Equity Fund  
MPP Global Equity (Passive) Fund  
MPP Index Linked Fund  
MPP International Fund  
MPP International Bond Fund  
MPP Property Fund  
MPP Retirement Protection Fund  
MPP Socially Responsible Fund

These funds are wholly invested in the GILP funds of the same name (MPP Retirement Protection Fund invests in the GILP Long Term Gilt Fund and MPP Socially Responsible Fund invests in the GILP Light Green Fund). See 5(1)(A)(i) above.

## Valuation Report as at 31 December 2000 (cont.)

The following funds (Series II) are wholly invested in the MPP funds of the same name shown above.

MPP Series II Cash Fund  
MPP Series II Discretionary Fund  
MPP Series II Equity Fund  
MPP Series II Fixed Interest Fund  
MPP Series II Index Linked Fund  
MPP Series II International Bond Fund  
MPP Series II Property Fund

The following funds (Series II) are wholly invested in the GILP funds of the same name (International Equity Fund invests in the GILP International Fund and Retirement Protection Fund invests in the GILP Long Term Gilt Fund). See 5(1)(A)(I) above.

MPP Series II UK Equity (Passive) Fund  
MPP Series II Global Equity Fund  
MPP Series II Index Linked (Passive) Fund  
MPP Series II International Equity Fund  
MPP Series II Retirement Protection Fund

- (j) None.
- (k) The contract was open to new business during the year to the valuation date.
- (l) There were no increases to the rates of charge applied to the existing contracts during the reporting period.

(2) No linked contract contains a with-profits option.

(3) Not applicable.

(4) *Points applicable to each of the groups of internal linked funds are as follows:*

The creation price is the cash cost of purchasing an identical portfolio of assets to that in the unit fund including all the costs that would be incurred in purchasing such assets, divided by the number of units in existence. The cancellation price is the cash amount for which the assets of the unit fund can be sold net of all costs that would be incurred in disposing of the assets, divided by the number of units in existence.

*Specific points for each of the groups of internal linked funds are as follows:*

### GILP Funds

The business is currently administered on either a weekly or daily dealing platform. It is intended that all business will be moved to the new daily dealing platform within the next year. Both platforms take a continuous equity approach to unit pricing, i.e. units are created in the linked funds at the creation price, and liquidated in the linked funds at the cancellation price.

### Weekly Platform

For the Discretionary and Global Equity Funds units are allocated to policyholders on a 'matched' basis as follows: if there are no matching transactions, then purchases are carried out at the creation price, and sales at the cancellation price. To the extent that there are both sales and purchases, the current practice is to match these transactions; purchases will be made at the normal offer price and sales will be made at a concessionary bid price (typically 100% of the offer price, where this is higher than the standard bid price). For all other funds, units are allocated to policyholders at the offer

## Valuation Report as at 31 December 2000 (cont.)

price, and sold at the bid price. Where there are both sales and purchases, transactions are matched where possible.

### Daily Platform

The "Swinging single pricing" approach is used. If the net cashflow on the day is positive, all transactions are at the offer price. If the net cashflow on the day is negative, all transactions are at the cancellation (bid/bid) price.

Unit prices are calculated daily and transactions in these funds are carried out at the next available price (i.e. on a forward pricing basis).

### MPP Funds

MPP Funds are 100% invested in units of the GILP Funds at the daily pricing of the GILP funds. Purchases of GILP fund units are made at the creation price of the GILP fund, and sales at the cancellation price. Creation and cancellation prices are determined daily by reference to the appropriate GILP price.

A smoothed equity approach is taken to unit pricing. This is different to the approach adopted for GILP funds. Units are allocated to policyholders at the offer price and deallocated at the bid price. While the trend in the number of units in a unit fund is believed to be upward, the bid price is the creation price. While the trend in the number of units is believed to be downward, the bid price is the cancellation price, where the trend is unclear or changing the bid price may be between the creation price and the cancellation price. The offer price is then set equal to the bid price plus the initial charge plus a rounding adjustment not exceeding 0.1p (there is no initial charge for Series II funds).

### Pru-Link Funds

The Pru-Link Managed Fund is wholly invested in units of the MPP Discretionary Fund. The Pru-Link Cash Fund is wholly invested in units of the MPP Cash Fund. Creation and cancellation prices are determined once a week by reference to the appropriate MPP price. Transactions are carried out at the next available price (i.e. on a forward pricing basis).

Pru-Link Funds buy and sell MPP units at the current MPP bid price. No further adjustments are made for buying or selling expenses.

A smoothed equity approach is taken to unit pricing. This is different to the approach adopted for GILP funds. Units are allocated to policyholders at the offer price and deallocated at the bid price. While the trend in the number of units in the underlying unit fund (which is taken to be the MPP funds as a whole) is believed to be upward, the bid price is the creation price. While the trend in the number of units is believed to be downward, the bid price is the cancellation price. Where the trend is unclear or changing the bid price may be between the creation price and the cancellation price. The offer price is then set equal to the bid price plus the initial charge plus a rounding adjustment not exceeding 0.1p.

- (5) No provision for tax on realised or unrealised capital gains is required, as only pension business is written.
- (6) Not applicable.
6. (1) The mathematical reserve for non-linked business (annuities in payment) is the present value of the benefits with provision for the expenses of payment. The mathematical reserve for linked business consists of the unit liability together with a non unit liability. A discounted cashflow method of valuation is used to determine the non-unit liability.

In particular the following principles have been observed:

**Valuation Report as at 31 December 2000 (cont.)**

- (a) No derivatives were held outside of the internal linked funds.
- (b) No allowance has been made for increasing fund management charges, however, the Company reserves the right to do so after the appropriate period of notice and to a level consistent with industry practice.
- (c) The net premium method has not been used.
- (d) Negative values have been eliminated from the liability. Additionally, all negative values which would arise at future valuations using the current basis projected forward have also been eliminated.
- (e) No reserve for future bonuses is required.
- (f) No reserve for tax on unrealised capital gains is required, as only pension business is written
- (g) No reserve for investment performance guarantees is held as the only investment performance guarantee is that the unit price of the Pru-Link Cash Fund will not go down. Units of this fund are ultimately invested in units of the GILP Cash Fund, where the practice is to invest only in short term assets.
- (h) An additional reserve of £1,940,000 is held in respect of :-

|   |                |
|---|----------------|
|   | £              |
| Resilience (Regulation 75(b))           | 550,000        |
| Cashflow Mismatching (Regulation 75(a)) | 490,000        |
| Other contingencies                     | <u>900,000</u> |
| Total                                   | 1,940,000      |

- (2) Not applicable.
- 7. (1) The rates of interest and tables of mortality assumed in the valuation are shown in 9(a) below and Note 5101.
- (2) The mortality tables used are published tables.
- (3) All business is written in the UK and UK based mortality tables have been used.
- (4) All annuity business is wholly reassured (see 12 below). The mortality assumptions for annuities in payment allow for future mortality improvement as follows :
 

Business reassured with PAL : At the rates in the published mortality tables used (year of birth tables are used).

Business reassured with PACL : Using the mortality table on a calendar year basis, the calendar year being 2001.
- (5) No allowance has been made or reserve held, in addition to the assumptions in 7(4) above, in respect of possible changes in the incidence of disease or development in medical science.
- (6) The scenarios are:
  - (a) A combination of
    - (i) a fall in equity and property values of 10%
    - (ii) for fixed interest securities

## Valuation Report as at 31 December 2000 (cont.)

- of less than five years outstanding term to redemption and for short term deposits, a 20% fall in the risk free yield
- of fifteen or more years outstanding term to redemption, a 10% fall in the risk free yield
- of more than five but less than fifteen years outstanding term to redemption, a fall in the risk free yield of  $(25 - \{\text{outstanding term in years and part years}\})\%$

(iii) a 25% fall in the real yield on index-linked gilts.

(b) A combination of

(i) a fall in equity values of 25% and property values of 20%

(ii) for fixed interest securities

- of less than five years outstanding term to redemption, and for short term deposits, a fall in the risk free yield to the maximum reinvestment rate permitted under regulation 69(9)
- of fifteen or more years outstanding term to redemption, no change in the risk free yield
- of more than five but less than fifteen years outstanding term to redemption, a fall in the risk free yield calculated by interpolation between the regulation 69(9) rate at term five years and the 15-year gilt yield at duration fifteen years.

(iii) a 10% increase in the real yield on index-linked gilts.

(c) an immediate increase of 3 percentage points in the rates of interest per annum obtainable on fixed interest securities, an immediate increase of 1 percentage point in the real yields on index-linked gilts, a 25% fall in the market value of equities and a 20% fall in the market value of property, together with a corresponding rise in the dividend and rental yield.

Scenario (c) proved to be the most onerous.

(7) An amount of £490,000 is included in the sterling reserves for cashflow mismatching. This has been determined by assuming that the redemption proceeds from existing assets can be reinvested, where necessary, at a yield of 80% of the current yield, and then comparing the expense reserve outgo against the resultant asset income to check that the additional reserve is sufficient to fund any shortfalls.

(8) An additional reserve of £550,000 has been made. This was calculated as follows:

(a) No changes in assumptions other than those stated in 7(6)(b) above, and interest rate changes as shown in Form 57 were made.

(b) The non unit reserves were recalculated at the revised valuation interest rates and levels of fund management charge income.

(c) (i) There was a £91,000 increase in the aggregate amount of the long term liabilities.

(ii) The assets allocated to match such liabilities have reduced in value by £459,000.

(9) Not applicable.

8. (a) Not applicable.

(b) Specific allowance is made for expenses of payment for all immediate annuities as indicated in note 5102.

## Valuation Report as at 31 December 2000 (cont.)

(c) Not applicable.

(d) Not applicable.

9. (a) For group and individual linked business the unit liability has been obtained by valuing those units allocated to policyholders at the valuation unit price. This price is based on the mid-market price of the assets and includes investment income received.

The non unit liability in respect of PACL Group Business reinsurance accepted is that amount required to cover the loss likely to arise in the period of notice required before any increase in charges can take effect.

In determining the non-unit liability for GILP and PIA business, and Pru-Link Retirement Plan (PLRP) policies, the following parameters were used:

|                     |   |
|---------------------|---|
| Valuation interest: | 4.50%   |
| Fund growth rate:   | 4.50% (before reduction for fund charge)  |
| Renewal expenses:   | GILP* £3,350,000 p.a. plus £870 p.a. per scheme<br>(of which £1,350,000 p.a. is covered by charges for additional administration services)<br>* includes reinsurance from Schroder Pensions Limited<br>PIA £52,000 p.a. plus £120 p.a. per scheme<br>PLRP - per policy for premium-paying policies<br>£39.00 p.a.<br>- per policy for other policies £26.00 p.a.<br>- per claim £44.00<br>Reassurance from PACL £500,000 p.a. |
| Expense inflation:  | 3.25%   |
| Fund charge:        | The actual charged rate less 0.1% for actively managed funds (0.035% for passively managed funds) in respect of M&G investment management fees charged to PPL.<br>The charged rate is 0.75% p.a. for PIA and PLRP, 0.25% for reassured business, and varies by fund for GILP (in the range 0.0% to 0.75%)   |
| Other income:       | GILP: A charge of £500 p.a. per scheme.<br>PLRP: 4% initial charge on each premium  |
| Mortality:          | AM92 Ult rated down 3 years (males)<br>AM92 Ult rated down 8 years (females)  |

These reserves are also adequate in the context of a lower inflation scenario with unchanged assumptions of real interest and real fund growth.

(b) Not applicable.

10. (1) See 9 (a) above.
- (2) The aggregate amount of expense allowance arising in the next twelve months from the loadings described in paragraph 9 is £8,102,000.
- (3) and (4) New business costs are covered by expected future profits.

11. Not applicable.

12. (1) No premiums in respect of reinsurance business ceded on a facultative basis were paid to reinsurers not permitted to carry on business in the United Kingdom.

## Valuation Report as at 31 December 2000 (cont.)

- (2) The following reinsurance treaties were in force at 31 December 2000 :
- (i) (a) **Prudential Annuities Limited (PAL)**
    - (b) The reinsurer is permitted to carry on business in the United Kingdom.
    - (c) The reinsurer is a connected company.
    - (d) All immediate annuities are wholly reassured on original terms.
    - (e) Premiums of £17,132 have been paid by the Company under the treaty during the period since the last investigation.
    - (f) Not applicable.
    - (g) No reinsurance commission is payable.
    - (h) The agreement remains open to annuities arising under Pru-Link (PLRP), but is closed to Group Pensions business arising since 1 January 1990.
  - (ii) (a) **Prudential Assurance Company Limited (PACL)**
    - (b) The reinsurer is permitted to carry on business in the United Kingdom.
    - (c) The reinsurer is a connected company.
    - (d) All immediate annuities are wholly reassured on original terms.
    - (e) No premiums have been paid by the Company under the treaty during the period since the last investigation.
    - (f) Not applicable.
    - (g) No reinsurance commission is payable.
    - (h) The agreement remains open to annuities arising under Pru-Link (PLRP), but is closed to Group Pensions business arising since 1 January 1990.
- (3) Not applicable.
- 13.-16. Not applicable.
17. See Form 46.
- Group contracts not included in Form 46 are:
- Group Investment Linked Policies (GILP) - 375 schemes at 31 December 2000.
  - GILP reinsurance accepted, - 1 scheme at 31 December 2000.
  - Pensions Investment Account (PIA) - 106 schemes at 31 December 2000.
- Reassurance accepted from Prudential Assurance Company - an estimated 45,000 lives are covered by this business.
18. See Form 47.
19. See Forms 48 and 49.  
No derivative contracts were held to cover non-linked long term liabilities at 31 December 2000.

**Valuation Report as at 31 December 2000 (cont.)**

20. See Forms 51 and 53.

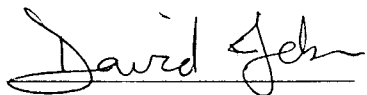
21. (1) See Form 57.

(2) There was no adjustment to the yield on Gilts. The yield on deposits has been reduced by 0.35% to take account of risk of default.

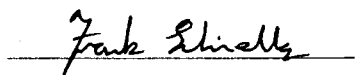
(3) No such assets were held.

22. See Form 58.

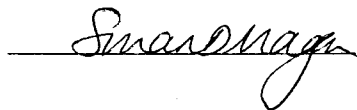
23. See Form 60.



D Jebson. Appointed Actuary



F Schinella. Director



S Morgan. Secretary

## Long term business : Summary of changes in ordinary long term business

Name of company **Prudential Pensions Limited**

Global business

United Kingdom business

Linked

Financial year ended **31st December 2000**

|  |    | Company registration number        |                 | GL/UK/CM          |                 | Period ended     |                 |                 | Units           | UK/OS | NL/LN |
|--|----|------------------------------------|-----------------|-------------------|-----------------|------------------|-----------------|-----------------|-----------------|-------|-------|
|  |    | R46                                | 992726          | GL                | 31              | 12               | 2000            | £000            | UK              | LN    |       |
|  |    |                                    |                 |                   |                 |                  |                 |                 |                 |       | day   |
|  |    | Life assurance and general annuity |                 | Pensions business |                 | Permanent health |                 | Other business  |                 |       |       |
|  |    | No of contracts                    | Annual premiums | No of contracts   | Annual premiums | No of contracts  | Annual premiums | No of contracts | Annual premiums |       |       |
|  |    | 1                                  | 2               | 3                 | 4               | 5                | 6               | 7               | 8               |       |       |
| In force at beginning of year                        | 11 |                                    |                 | 6715              | 1629            |                  |                 |                 |                 |       |       |
| New business and increases                           | 12 |                                    |                 |                   | 14              |                  |                 |                 |                 |       |       |
| Net transfers and other alterations 'on'             | 13 |                                    |                 |                   |                 |                  |                 |                 |                 |       |       |
| Total 'on' (12+13)                                   | 19 |                                    |                 |                   | 14              |                  |                 |                 |                 |       |       |
| Deaths   | 21 |                                    |                 | 25                | 7               |                  |                 |                 |                 |       |       |
| Other insured events                                 | 22 |                                    |                 |                   |                 |                  |                 |                 |                 |       |       |
| Maturities   | 23 |                                    |                 | 214               | 63              |                  |                 |                 |                 |       |       |
| Surrenders   | 24 |                                    |                 |                   |                 |                  |                 |                 |                 |       |       |
| Forfeitures  | 25 |                                    |                 |                   |                 |                  |                 |                 |                 |       |       |
| Conversions to paid-up policies for reduced benefits | 26 |                                    |                 |                   | 24              |                  |                 |                 |                 |       |       |
| Net transfers, expiries and other alterations 'off'  | 27 |                                    |                 |                   |                 |                  |                 |                 |                 |       |       |
| Total 'off' (21 to 27)                               | 29 |                                    |                 | 239               | 94              |                  |                 |                 |                 |       |       |
| In force at end of year (11+19-29)                   | 39 |                                    |                 | 6476              | 1549            |                  |                 |                 |                 |       |       |

## Long term business : Summary of changes in ordinary long term business

Name of company **Prudential Pensions Limited**

Global business

United Kingdom business

Non-linked

Financial year ended **31st December 2000**

|  |                                    | Company registration number |                   | GLUK/CM         | Period ended     |                 |                 | Units           | UK/OS | NL/LN |      |
|--|------------------------------------|-----------------------------|-------------------|-----------------|------------------|-----------------|-----------------|-----------------|-------|-------|------|
|  |                                    | R46                         | 992726            |                 | GL               | day             | month           |                 |       |       | year |
|  |                                    | 31                          | 12                |                 | 2000             | £000            | UK              |                 |       |       | NL   |
|  | Life assurance and general annuity |                             | Pensions business |                 | Permanent health |                 | Other business  |                 |       |       |      |
|  | No of contracts                    | Annual premiums             | No of contracts   | Annual premiums | No of contracts  | Annual premiums | No of contracts | Annual premiums |       |       |      |
|  | 1                                  | 2                           | 3                 | 4               | 5                | 6               | 7               | 8               |       |       |      |
| In force at beginning of year                        | 11                                 |                             | 5454              |                 |                  |                 |                 |                 |       |       |      |
| New business and increases                           | 12                                 |                             | 2                 |                 |                  |                 |                 |                 |       |       |      |
| Net transfers and other alterations 'on'             | 13                                 |                             |                   |                 |                  |                 |                 |                 |       |       |      |
| Total 'on' (12+13)                                   | 19                                 |                             | 2                 |                 |                  |                 |                 |                 |       |       |      |
| Deaths   | 21                                 |                             | 174               |                 |                  |                 |                 |                 |       |       |      |
| Other insured events                                 | 22                                 |                             |                   |                 |                  |                 |                 |                 |       |       |      |
| Maturities   | 23                                 |                             |                   |                 |                  |                 |                 |                 |       |       |      |
| Surrenders   | 24                                 |                             |                   |                 |                  |                 |                 |                 |       |       |      |
| Forfeitures  | 25                                 |                             |                   |                 |                  |                 |                 |                 |       |       |      |
| Conversions to paid-up policies for reduced benefits | 26                                 |                             |                   |                 |                  |                 |                 |                 |       |       |      |
| Net transfers, expiries and other alterations 'off'  | 27                                 |                             |                   |                 |                  |                 |                 |                 |       |       |      |
| Total 'off' (21 to 27)                               | 29                                 |                             | 174               |                 |                  |                 |                 |                 |       |       |      |
| In force at end of year (11+19-29)                   | 39                                 |                             | 5282              |                 |                  |                 |                 |                 |       |       |      |

Returns under Insurance Companies Legislation  
**Long term business : Analysis of new ordinary long term business**

Name of company **Prudential Pensions Limited**

Global business

Financial year ended **31st December 2000**

Company registration number **R47**  
 GLUK/ICM **GL** 31 12 2000 **£000**  
 Period ended day month year Units

| Type of insurance                                     | Single premium contracts |          |  | Regular premium contracts |                 |  |
|---|--------------------------|----------|--|---------------------------|-----------------|--|
|   | No of contracts          | Premiums | Sums assured, annuities per annum or other measures of benefit | No of contracts           | Annual premiums | Sums assured, annuities per annum or other measures of benefit |
| 1   | 2                        | 3        | 4  | 5                         | 6               | 7  |
| <b>UK DIRECT WRITTEN BUSINESS</b>                     |                          |          |  |                           |                 |  |
| Pension Business                                      |                          |          |  |                           |                 |  |
| Other Linked Contracts                                |                          |          |  |                           |                 |  |
| Group pension : GILP SAS business                     | 36                       | 688113   |  |                           | 14              |  |
| Deferred Annuity : Pru-Link Retirement Plan (top-ups) |                          |          |  |                           |                 |  |
| <b>Sub total: Other Linked Contracts</b>              | 36                       | 688113   |  |                           | 14              |  |
| <b>Total: Pension Business</b>                        | 36                       | 688113   |  |                           | 14              |  |
| <b>Total: UK Direct Written Business</b>              | 36                       | 688113   |  |                           | 14              |  |

Returns under Insurance Companies Legislation

Long term business : Analysis of new ordinary long term business

Name of company **Prudential Pensions Limited**

Global business

Financial year ended **31st December 2000**

|                             |              |     |       |      |       |
|-----------------------------|--------------|-----|-------|------|-------|
| Company registration number | Period ended |     |       |      | Units |
|                             | GLUK/CM      | day | month | year |       |
| R47                         | 992726       | GL  | 31    | 12   | 2000  |
|                             |              |     |       |      | £000  |

| Type of insurance  | Single premium contracts |              |  | Regular premium contracts |                 |  |
|--|--------------------------|--------------|--|---------------------------|-----------------|--|
|  | No of contracts          | Premiums     | Sums assured, annuities per annum or other measures of benefit | No of contracts           | Annual premiums | Sums assured, annuities per annum or other measures of benefit |
| 1  | 2                        | 3            | 4  | 5                         | 6               | 7  |
| <b>UK REINSURANCE ACCEPTED Pension Business Other Linked Contracts</b> |                          |              |  |                           |                 |  |
| Group pension : Reinsurance from GILP                                  | 1                        | 2559         |  |                           |                 |  |
| Group pension : Reinsurance from PACL                                  |                          | 72185        |  |                           |                 |  |
| <b>Sub total: Other Linked Contracts</b>                               | <b>1</b>                 | <b>74744</b> |  |                           |                 |  |
| <b>Total: Pension Business</b>   | <b>1</b>                 | <b>74744</b> |  |                           |                 |  |
| <b>Total: UK Reinsurance Accepted</b>                                  | <b>1</b>                 | <b>74744</b> |  |                           |                 |  |

Long term business : Expected income from admissible assets not held to match liabilities in respect of linked benefits

Name of company **Prudential Pensions Limited**

Global business

Financial year ended **31st December 2000**

Category of assets **Ordinary Long Term**

| Type of asset  | Company registration number | GL/UK/CM | Period ended  |       |   | Units | Category of assets |    |
|--|-----------------------------|----------|---|-------|---|-------|--------------------|----|
|  |                             |          | day   | month | year  |       |                    |    |
|  | R48                         | 992726   | GL  | 31    | 12  | 2000  | £000               | 11 |
|  |                             |          | Value of admissible assets as shown on Form 13<br>1 |       | Expected income from admissible assets<br>2 |       | Yield %<br>3       |    |
| Land and buildings   |                             | 11       |   |       |   |       |                    |    |
| Fixed interest securities  | Approved securities         | 12       | 2139  |       | 126   |       | 4.77               |    |
|  | Other                       | 13       |   |       |   |       |                    |    |
| Variable interest and variable yield securities (excluding items shown at line 16) | Approved securities         | 14       |   |       |   |       |                    |    |
|  | Other                       | 15       |   |       |   |       |                    |    |
| Equity shares and holdings in collective investment schemes                        |                             | 16       |   |       |   |       |                    |    |
| Loans secured by mortgages   |                             | 17       |   |       |   |       |                    |    |
| All other assets   | Producing income            | 18       | 16428   |       | 939   |       | 5.72               |    |
|  | Not producing income        | 19       | 3186  |       |   |       |                    |    |
| Total (11 to 19)   |                             | 29       | 21753   |       | 1065  |       | 4.79               |    |

