

Lincoln Select Managed

as at 31 August 2009

Investment objective

The Lincoln Select Managed fund aims to achieve capital appreciation over the medium to long term through a balanced portfolio which will benefit from growth of UK and international equities and global fixed interest securities.

Risk category

The funds are categorised as balanced, seeking to achieve a balance between the need to preserve the original investment and the need for growth and/or income. These funds are more appropriate for those people who can remain invested in them for at least five years and whose financial situation and temperament can tolerate some swings in performance.

Fund information

Launch date	12 July 1999	Fund size	Life £8.6m	Pension £8.5m
Fund manager	FundQuest	AMC	Life 2.21%	Pension 2.04%
Fund sector	Balanced Managed			

Performance figures

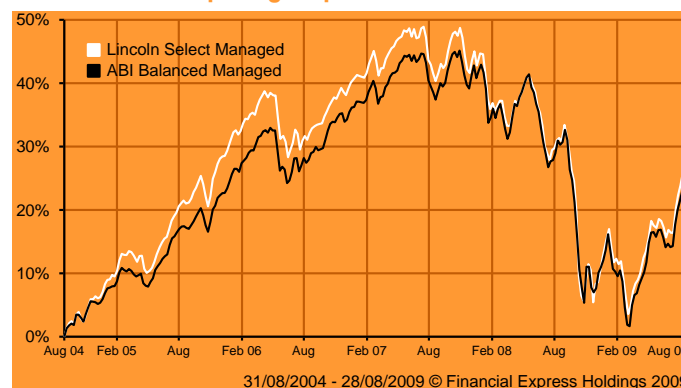
	Discrete years performance % for one year period ending:					Average annual % growth:		
	31 Aug 09	31 Aug 08	31 Aug 07	31 Aug 06	31 Aug 05	3 yrs	5 yrs	10 yrs
Life Fund	-1.6	-6.2	6.3	9.9	21.1	-0.6	5.5	2.8
Pension Fund	-1.0	-7.1	7.3	10.5	21.2	-0.4	5.7	3.2

Past performance should not be taken as a guide to the future.

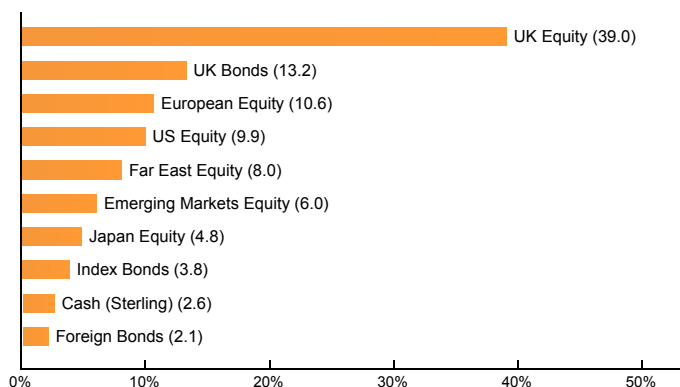
Top 10 holdings

Company (holding)	% holding
Artemis Income R Inc	10.0
Invesco Perpetual Income	8.5
Axa Framlington UK Select Opportunities	7.8
Findlay Park American Small Companies	6.4
Fidelity Money Builder	6.1
Fidelity Special Situations	5.5
JPM Highbridge Income Opportunities	4.4
Schroder UK Alpha Plus	4.2
Cazenove European	4.1
First State Asia Pacific Leaders	3.8
TOTAL	60.8

Performance vs peer group



Asset allocation



Source (performance figures): Financial Express as at the end Aug 2009, bid - bid, net income reinvested. You may not get back your original investment. Unit values and the income from them can fall as well as rise and are not guaranteed. Where applicable exchange rates may also cause the value of underlying investments to go down or up. Tax benefits of investments depend on your individual circumstances and may be changed without advance warning.

Source: (top ten fund sizes and allocation where applicable): FundQuest. These splits shown apply to the pension funds. There might be a slight difference between the allocations in the life fund but this typically would not be more than 1%.

The AMCs quoted include an allowance for the investment management expenses associated with the fund, including the costs of any external fund managers. Because of the different costs associated with managing different types of assets and because different fund managers manage different funds, the allowance for investment management expenses varies depending on the fund.

About the fund manager

FundQuest is the multi-management specialist of BNP Paribas Investment Partners. With teams of analysts and portfolio managers based in Boston, London and Paris, FundQuest covers all of the world's markets. FundQuest gives its customers access to the expertise of specialist portfolio managers around the world and a wide range of investment solutions. At the 31st December 2008, the company employed 210 employees including 48 analysts and portfolio managers, and managed more than £30 billion in assets on behalf of institutional and high net worth individuals worldwide.

About the fund manager's investment process

Multi-manager investment is the only activity and therefore there are no conflicts of interest to dilute the complete independence of operation and the objectivity in selecting investments.

About Lincoln

Lincoln Financial Group is the UK business name of Lincoln National (UK) PLC and its UK subsidiary companies.

The UK operation dates back to 1934 with assets under management of £3.92 billion (as at 31 March 2009). Lincoln Assurance Limited is part of Lincoln in the UK, within which UK life and pensions business is written. AKG actuaries' current financial strength rating (as at October 2008) rated Lincoln Assurance Limited with an overall Financial Strength rating of 'B+'. Lincoln in the UK is passionate about doing the best for its customers at or in retirement, by bringing to the market reliable and flexible solutions which enables a smooth transition through retirement, protecting and enhancing wealth to enjoy an income for life. Lincoln serves the needs of customers nationwide through financial advisers and is dedicated to building excellent customer service.

On 15 June 2009 Sun Life Financial of Canada announced that it is acquiring Lincoln (UK). The Canadian company already has a UK operation and has taken this opportunity to purchase Lincoln UK which is a highly complementary business and brings to them our additional product development and IFA distribution capability.

For more information

If you are a financial adviser, contact us on : -

Telephone: 0845 075 3535

Web: www.lincoln-ifa.co.uk

Email: ifasupport@lincolnuk.co.uk

If you are a customer, contact us on : -

Telephone: 0845 605 2323

Web: www.lincolnuk.co.uk

Email: customer.services@lincolnuk.co.uk