

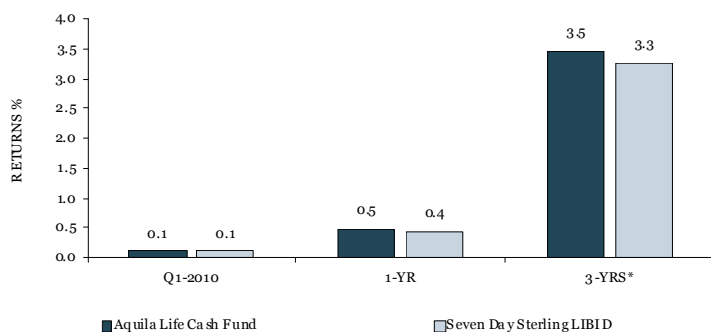
Aquila Life Cash Fund

31 March 2010

FUND VALUE	NET NEW MONEY	NUMBER OF HOLDINGS
£657,057,721	-£18,520,622	1

Source: BlackRock.

Performance



*Annualised

Past performance is not a reliable indicator of future results.

Performance shown is net of investment management fees.

Source: BlackRock.

Fund Overview

The Aquila Life Cash Fund invests solely in the BlackRock Sterling Liquidity First Fund. This Fund is Aaa-rated by Moody's Investors Service, the highest rating available. This ensures the Fund is independently monitored from a credit perspective. In order to maintain our rating, the Fund has to offer instant diversification across a wide range of top quality issuers, all P-1 short-term rated or Aa3 long-term rated.

The BlackRock Liquidity First Funds are benchmarked against seven-day LIBID. These Funds are suitable for short-term investors looking for stability of capital and minimum volatility of returns. They are constant net asset value (NAV) funds, which makes investment very similar to placing money on deposit.

Market Background

Money market conditions remained stable during the first quarter as risk premiums declined further and investor activity returned to more normalised patterns. Although markets continue to be fragile, with uncertainty increasing during the quarter as peripheral European sovereigns such as Greece came under pressure, higher quality money market issuers remain well supported by investors. The Bank of England kept both interest rates and quantitative easing unchanged during the quarter, with official rates remaining at their historical low of 0.50% and the size of the Asset Purchase Facility unchanged at £200 billion. Money market rates rose modestly during the period, in line with improving market conditions and expectations that yields may begin rising over the coming months as financial markets and economic activity recover.

HOLDING	FUND %
BlackRock Sterling Liquidity First Fund	100.0

Source: BlackRock.