

A dynamic splash of clear water against a white background, with various sized droplets and bubbles scattered throughout. The main splash is a large, horizontal, teardrop-shaped droplet that has just broken apart, with smaller droplets and bubbles trailing off to the right and downwards.

Protected



Information Sheet
October 2007



Introduction

The Protected Water Fund plc (PWF plc) is an Open Ended Investment Company incorporated in the Isle of Man. PWF plc is an International Collective Investment Scheme administered and managed by Abacus Financial Services Limited (formerly part of Coopers & Lybrand) with BNP Paribas Trust Company (Guernsey) Limited acting as Custodians and audited by Deloitte & Touche.

Barclays World Water Strategy

Barclays Capital has created an Index called the Barclays World Water Strategy which charts the performance of the World's largest publicly quoted pure water related stocks. From over 700 companies within the investable water stock universe only a maximum of the 40 largest stocks will be considered for investment. Investing solely in large cap companies can provide the further benefit of reduced volatility.

The Barclays World Water Strategy has been specially created by Barclays Capital to invest exclusively in companies whose core business is purely water related.

Why invest in water?

- Globally limited supply of unpolluted clear water
- Growing population and industrialisation increasing water demand
- Worldwide problems of outdated or non existent infrastructure
- New water quality standards driving investment into treatment and purification
- Increased privatisation within water sector

Fund Highlights

- 100% Capital Protection provided by Barclays Bank plc
- Target returns of 9-11% per annum
- Focus on purely water-related large caps around the World
- Compelling fundamentals for continued strength in water sector
- Professional and Experienced Fund Team

Single Price

The Fund has a single dealing price for the initial 12 month issuing period commencing 1st October 2007.

Capital Security

The Protected Water Fund plc is a ten year investment with **100% Capital Protection** provided by Barclays Bank plc if held to maturity. At maturity investors receive 100% of their initial investment back plus the additional benefit of potential growth achieved from the Worldwide water sector. (please refer to 'Notes Risk Disclosure' on the back page for more information)



STERLING CLASS:

Launch date: 01/10/2007
Launch Price: £1.00
Min. Invest: £10,000
Sedol No: B23XWN6
ISIN No: IM00B23XWN67

US DOLLAR CLASS:

Launch date: 01/10/2007
Launch Price: \$1.00
Min. Invest: \$20,000
Sedol No: B23YN81
ISIN No: IM00B23YN816

EURO CLASS:

Launch date: 01/10/2007
Launch Price: €1.00
Min. Invest: €15,000
Sedol No: B23YN58
ISIN No: IM00B23YN584

GENERAL INFORMATION (applicable to all classes)

Domicile: Isle of Man
Investment class: Water Sector
Dealing: Monthly (1st)
Non Performance Related Fee: 0.75%*
Performance Related Fee: 2.0%**
Redemption Fee: 1st 5 years only***

Full details of all applicable charges and the risks associated with investing in the Fund, can be found in the Scheme Particulars.

* Based on a minimum fund size of approximately £7.5 million in the first 12 months.

** Performance fees are only payable if the difference between the NAV of the relevant sub-fund less the present value of the underlying capital security is greater than zero.

*** Redemption penalties start from 8% and reduce by 0.40% every quarter to 0% after 5 years in order to recover the promoter's sales and marketing fee.



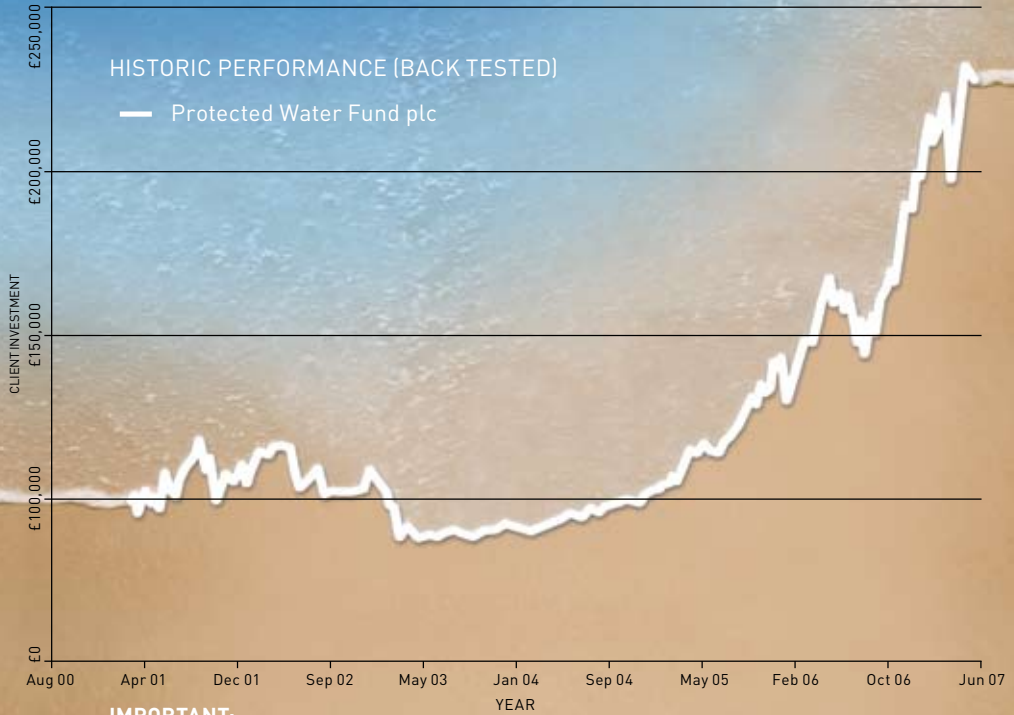
Balanced Portfolio

The Protected Water Fund plc gives investors the opportunity to participate in this fast developing market through exposure to some of the largest publicly quoted pure water companies in the world. The dynamic nature of water stocks allows the product to be incorporated as an alternative asset class in part of a balanced portfolio.

**INVESTORS SHOULD
CONSIDER THIS INVESTMENT
AS A THEMATIC EXPOSURE
WITHIN THEIR PORTFOLIO.**

Target Returns

The growth based on the historic performance graph (back tested) below based on a client investment of £100,000 represents annualised net returns of on average 9-11% between the years 2000 and 2006.¹



IMPORTANT:

Investors should read the Fund listing particulars and assure themselves of the nature and risks associated with the Fund. Past performance is not a guide to future returns and shares in the Fund can go down as well as up.

The information contained in this simulation is intended for illustrative purposes only. It is not intended to depict or predict annual investment performance of any financial product as such performance may differ from that illustrated in this information.

1. Source: Barclays Capital

Top 5 holdings:

This index concentrates on companies whose activity is wholly water related. Market capitalisation for each company in this index must be over \$500 million. The maximum weighting for any particular company within the Index will be 15% and the minimum holding will be 1%.

Barclays Capital will rebalance the basket of water stocks on a quarterly basis and review the components of the index annually. The basket of constituents will only include shares from established countries including USA, Canada, Australia, New Zealand, Hong Kong, Japan, Singapore, Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Netherlands, Norway, Portugal, Spain, Sweden, Switzerland and UK.

- 1. Veolia Environnement** (15.00% of strategy) Capitalisation \$34,628m France
Veolia Environnement is the world leader in environmental services.
www.veolia.com
- 2. United Utilities plc** (15.00% of strategy) Capitalisation \$11,886m United Kingdom
United Utilities plc manages electricity distribution, water and wastewater networks.
www.unitedutilities.com
- 3. Severn Trent plc** (10.79% of strategy) Capitalisation \$6,095m United Kingdom
Severn Trent plc supplies water and sewage services in Western Europe and North America.
www.severntrent.com
- 4. Sociedad General de Aguas de Barcelona SA** (9.71% of strategy) Capitalisation \$5,486m Spain
Sociedad General De Aguas De Barcelona primarily provides public services in Barcelona.
www.agbar.es/eng
- 5. Kelda Group plc** (8.32% of strategy) Capitalisation \$4,701m United Kingdom
Kelda Group plc provides water and waste water services to customers in the UK and US.
www.keldagroup.com

Protected



Structured Product Provider:

Barclays Capital.

Manager:

Abacus Financial Services Limited.

Custodian:

BNP Paribas Trust Company
(Guernsey) Limited

Bank:

Royal Bank of Scotland
International Limited.

Auditors:

Deloitte & Touche.

Promoter:

Protected Distribution Ltd.
Email: pwf@pdlgroup.com

www.pwf.co.im

Copies of the Scheme Particulars and the latest Report and Accounts may be obtained from the Manager and documents constituting the Fund may be inspected at Abacus Financial Services Limited at Sixty Circular Road, Isle of Man, IM1 1SA.

Notes Risk Disclosure

The Notes are purchased by the Fund. Investors in the Fund will not have a direct holding of the Notes. The Notes provide a minimum payout at maturity. It should be noted that the minimum payout only applies when the Notes are held to maturity and that it relates to payment obligations only, it is not a guarantee of performance of the underlying portfolio of assets or that the holder of the Notes will receive any amounts in excess of the initial investment. You should be aware that if the Notes are not held to maturity, or are otherwise redeemed early, there is no capital protected payout or other principal protection and you may receive less than your original investment.