



Fund update

February 2012

Value of maturities in EEA Life Settlements Fund grows

“36 policies have matured between November 1 2011 and February 1 2012, generating \$62m of cash into the fund.”

The EEA Life Settlements Fund has continued to perform in line with normal expectations since its suspension. This is despite unprecedented redemption requests following the FSA's branding of traded life policy investments as 'toxic'.

While the EEA Life Settlements Fund has been unable to accept new investments or pay redemptions since December 1st, \$62m has been generated from 36 policy maturities within the fund in the last three months (as at 1 February 2012).

Peter Winders, Marketing Director of EEA Fund Management, said: “Though the fund is suspended, it continues to generate returns as policies mature. These figures show that the EEA Life Settlements Fund is experiencing maturities in excess of premium payments and so generating cash at the fund level.

“Once the FSA publishes its findings on the consultation into traded life investments the fund directors will be able to decide how to proceed – investors and their advisers will have greater clarity about their options and be able to make an informed decision as to whether to redeem or not. In the meantime investors can see our investment strategy continues to generate cash in the fund.”

As at 31 January 2012, the fund held 660 policies, issued by 86 life companies. The weighted average original life expectancy is 51 months; the weighted average current life expectancy is 25 months. The average policy size is US\$2.27m, and the weighted average age of policyholders is 83.6 years.



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