

## Life Settlement Assets PLC – Ordinary Share D

### Investment Objective

The company's investment objective is to achieve capital appreciation by purchasing policies or portfolios of life settlement and mortality-related products in special or distressed situations

### Commentary

The new 2017 Tax Cuts and Job Act ("TCJA") includes many major reforms, chief among them reducing the tax rates and simplifying taxes. What may not be well known, or even promoted, is the benefit that the Life Settlement industry will have as a result of the bill. Previously, there was a different tax basis calculation for people selling their insurance policies and those surrendering; in essence the former could deduct from sales proceed past cumulative COI, while the latter past cumulative premium payments. TCJA makes the basis calculation for both same, resulting in the abolition of a tax incentive to surrender rather than to sell a policy. This measure will thus broaden the supply of life settlements since insureds will have a less onerous path to sell.

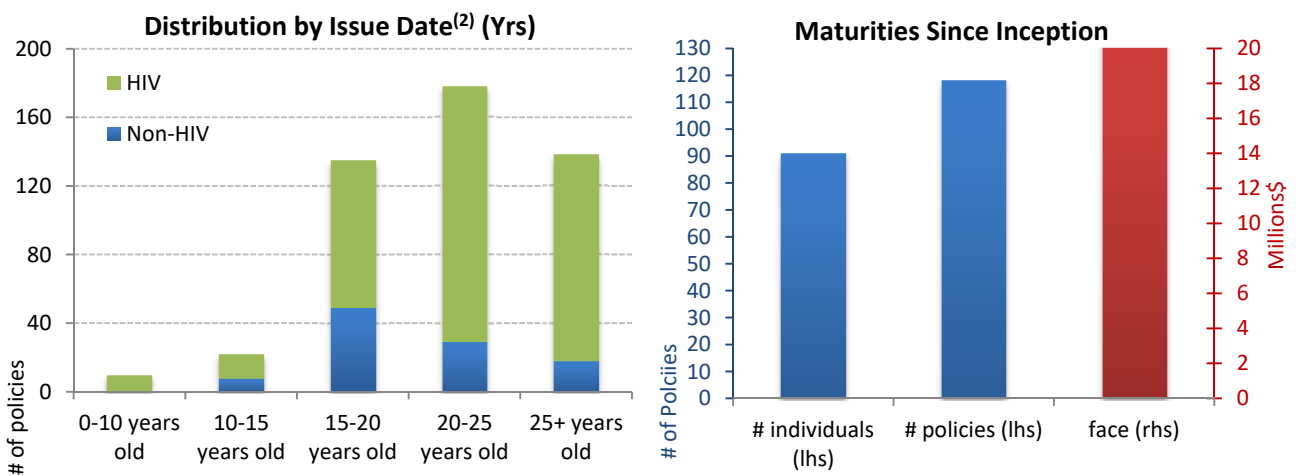
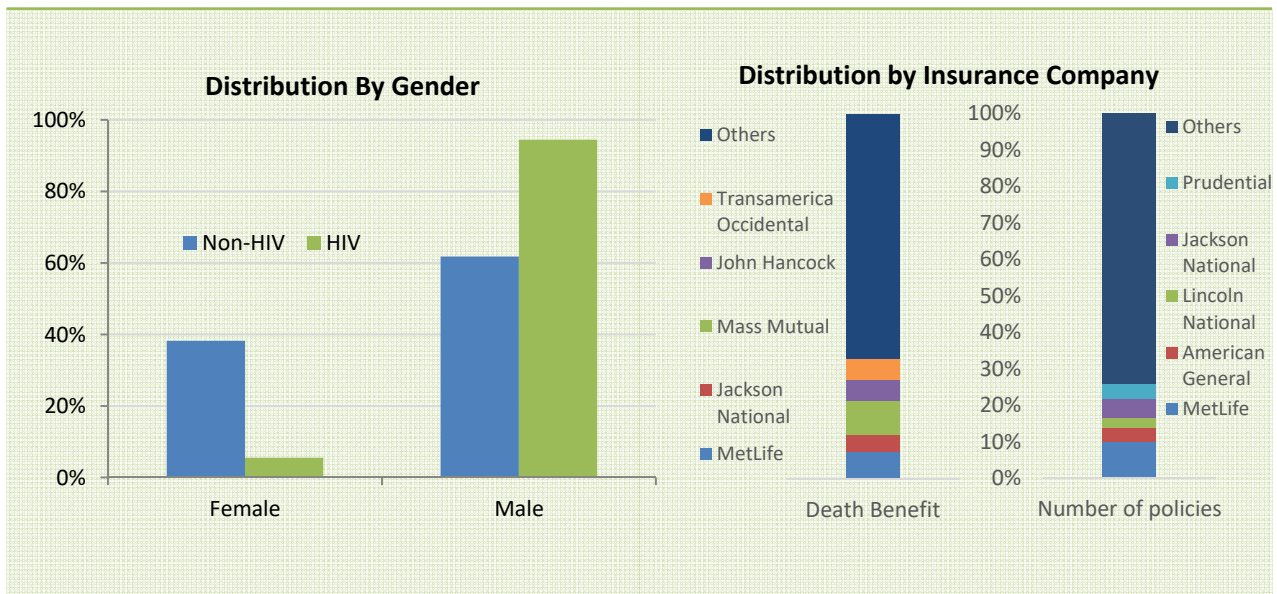
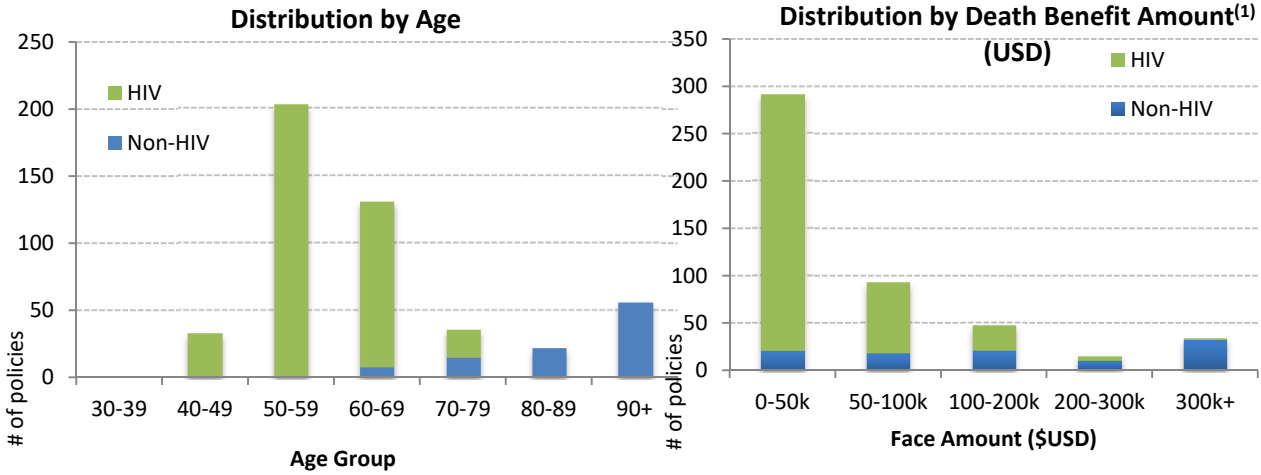
The Share Class is reporting a performance of -1.47% for the month of April. Two maturities from different insureds have been registered in the elderly insureds' segment, contributing a total Death Benefit of \$235k. No maturity has been registered in the HIV segment.

Investment Terms	Estimated NAV (USD)	NAV/Share
1.5% Management Fee	10,970,370.97	1.1806

Number Of Policies	Death Benefits (USD)	Matured Policies YTD*	Maturities YTD (USD)*
481	43 141 931	5	494 417

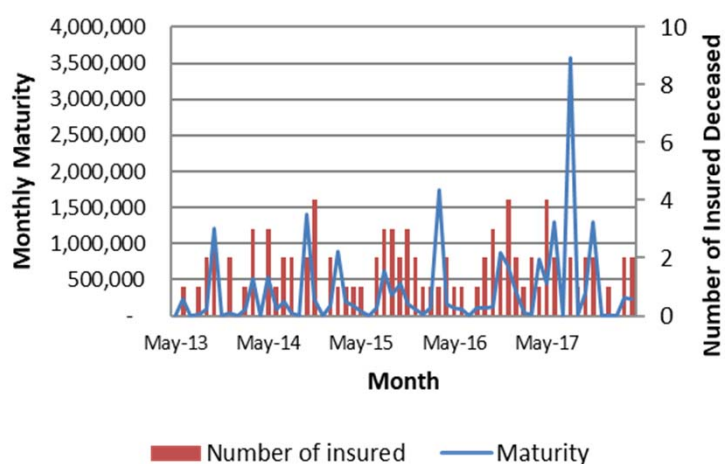
<b>Trust Investment Manager</b>	Acheron Capital Ltd.	<b>Company Secretary</b>	Maitland Administration Services Limited
<b>Administrator</b>	Compagnie Européenne de Révision	<b>ISIN Ticker</b>	GB00BF1Q4N27 LSAD
<b>Auditor</b>	Grant Thornton UK LLP	<b>Info</b>	life@acheroncapital.com +44 207 258 5990

\*This figure refers to maturities occurred in the portfolio held by Avenus Portfolio Trust



\* Capital and/or dividend payment(s)  
 (1) Indicates the available face amount to LSA which is a fractional interest of initial face amount.  
 (2) Distribution by issue dates reflects the time since the life insurance policy was issued.  
 Source of Data: Acheron Capital Ltd unless otherwise stated.

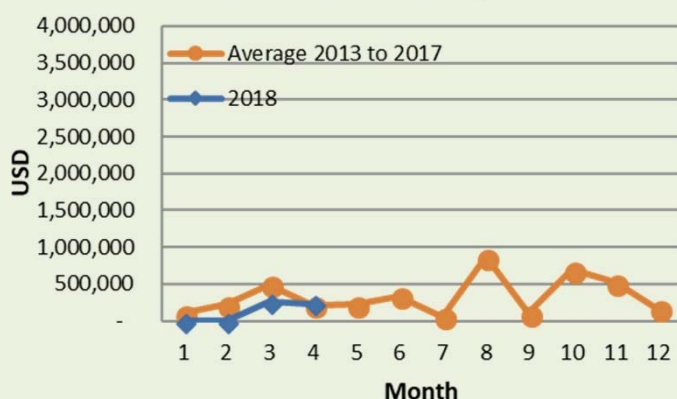
**Historical Maturity**



**Maturities April 2018**

Number of policies matured in April 2018	2	
Corresponding number of insured	2	
Total death benefit in April 2018(US\$)	235 548	
Valuation of Matured policies in Book (US\$)	65 455	
	<b>Average Age</b>	<b>Weighted Average Age</b>
HIV	58.2	58.2
Non-HIV	87.7	91.1

**Notification of Maturity**



**Premiums Situation (US\$) <sup>(1)</sup>**

Servicers Premiums Projection as of Beginning 2018	\$ 2.2M
Mortality Adjusted Premiums Projection Beginning 2018	\$ 2.1M
Estimated COI Net of Mortality Beginning 2018	\$ 2.0M

**Top 5 Coverage**

Insured	Face (million)	Total Face (millions)	Age (ALB)	Expiration Age*
1	1.0/0.9/0.8	2.7	98	101/101/101
2	2.2	2.2	97	100
3	1.3/0.6/0.1	2	98	115/100/120
4	0.7/0.5/0.05/0.03	1.3	90	100/100/100/100
5	0.4/0.3/0.3	1	75	121/100/100

**Cash Situation (US\$) <sup>(1)</sup>**

Cash at hand and similar	\$ 1.4M
Gross Cash in Policies <sup>(2)</sup> (estimated as of end 2017)	\$ 2.0M
Loan on Cash in Policies (estimated as of end 2017)	\$ 0
Net Cash in Policies <sup>(2)</sup> (estimated as of end 2017)	\$ 1.9M
Maturities to be received	\$ 681k

(1) Figures as provided by third parties

(2) Cash in a policy can typically be borrowed at an interest rate of 4% to 8%. Surrender charge included.

\* In case that one insured has more than one policy, their expiration ages are ordered by decreasing face.

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