

## 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

Following the "Tax Cuts and Job Act of 2017 (TCJA)", the life settlements investment space continues to expand, with activity seemingly picking up in 2018. A number of insurance-linked securities (ILS) fund managers have allocated to life settlements via their life related ILS funds, as well as new products focused on longevity-contingent risk. Apart from fund raising activities, more licenses have been granted to market players. Mason Finance, a life settlement technology start-up, says it has received licenses to perform life settlements in five more states. Meanwhile Abacus Life Settlements announced that it was granted a life settlement provider license by the West Virginia Offices of the Insurance Commissioner.

The Share Class is reporting a performance of -1.28% for the month of June. One maturity has been registered, contributing a total Death Benefit of \$123k. Currently, our estimation of A/E ratio for the HIV until June is still above 150%. However, the elderly segment continues to underperform due to the lack of large size policies maturing.

Investment Terms	Estimated NAV (USD)	NAV/Share
1.5% Management Fee	10,742,679.54	1.1561

Number Of Policies	Death Benefits (USD)	Matured Policies YTD*	Maturities YTD (USD)*
479	43 086 526	7	836 365

**Trust Investment Manager** Acheron Capital Ltd.

**Company Secretary** Maitland Administration Services Limited

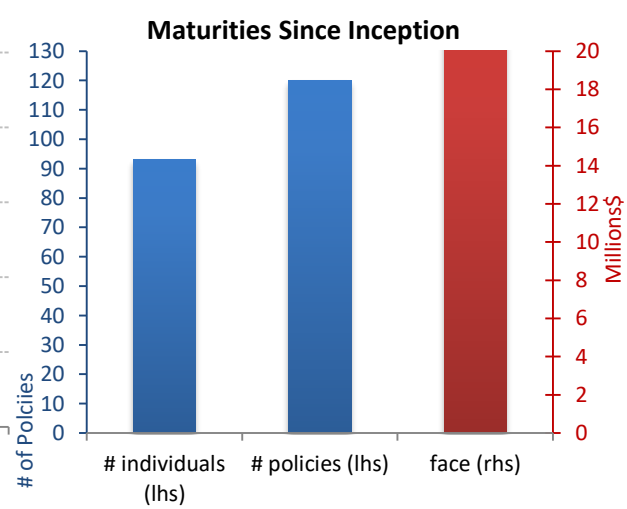
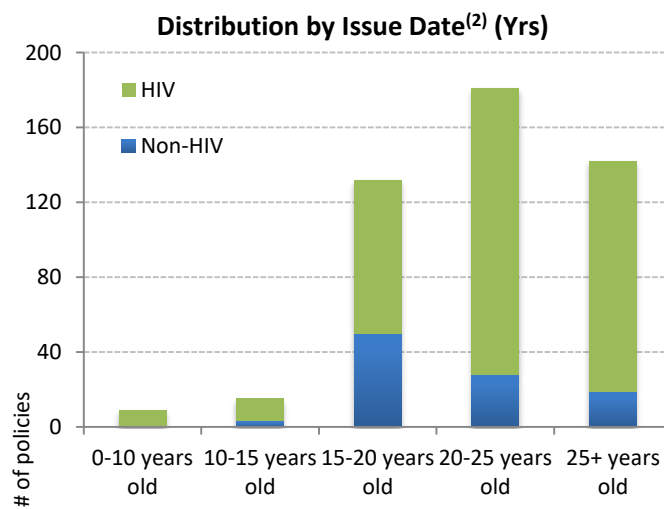
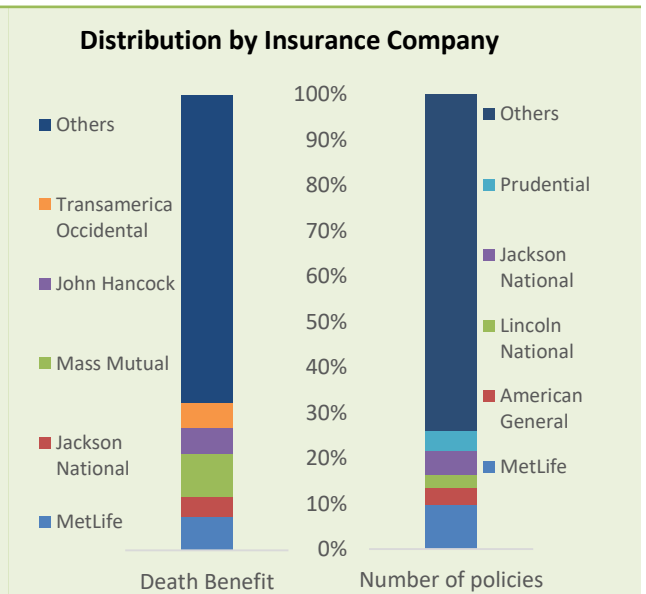
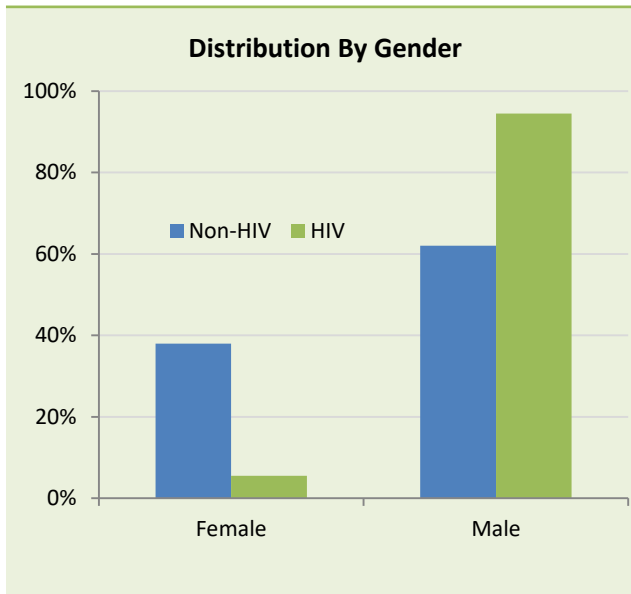
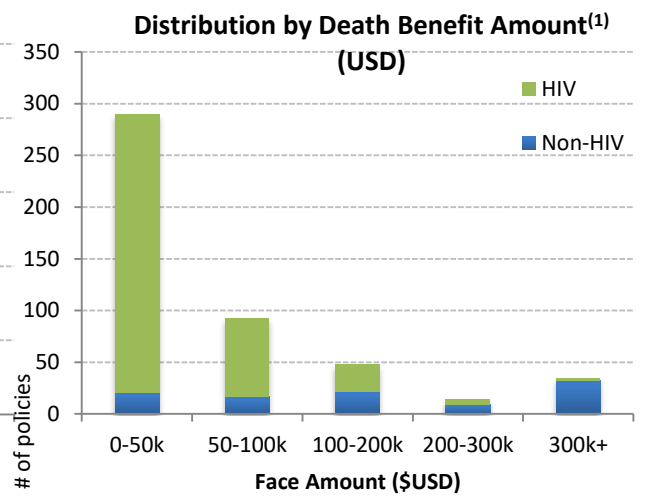
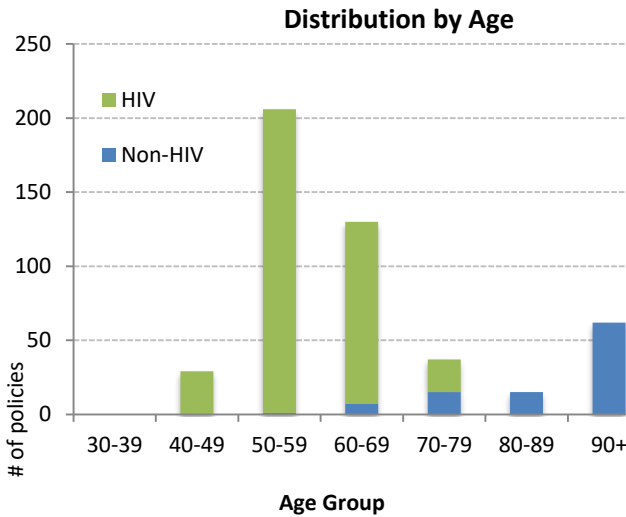
**Administrator** Compagnie Européenne de Révision

**ISIN Ticker** GB00BF1Q4N27  
LSAD

**Auditor** Grant Thornton UK LLP

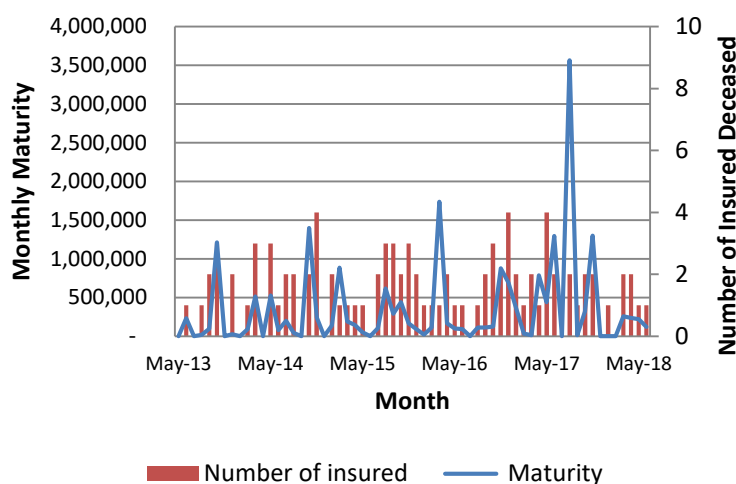
**Info** life@acheroncapital.com  
+44 207 258 5990

\*This figure refers to maturities occurred in the portfolio held by Avernus 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.

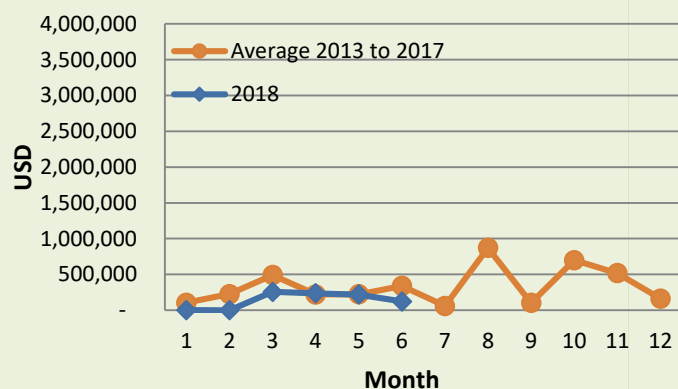
## Historical Maturity



## Maturities June 2018

Number of policies matured in June 2018	1	
Corresponding number of insured	1	
Total death benefit in June 2018(US\$)	122 732	
Valuation of Matured policies in Book (US\$)	0	
	<b>Average Age</b>	<b>Weighted Average Age</b>
HIV	58.4	58.4
Non-HIV	88.0	91.3

## 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	2.0	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	1.0	75	121/100/100

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

Cash at hand and similar	\$ 0.7M
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	\$ 0.6M

(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.

Issued by Acheron Capital Limited, a company registered in England, no. 05588630 at Suite1, 3rd Floor, 11-12 St. James's Square, London SW1Y 4LB, England.

Acheron Capital Limited is authorized and regulated by the Financial Conduct Authority ("FCA") and appears on the FS Register under reference FRN 443685.

The investment products and services of Acheron Capital Limited are only available to professional clients and eligible counterparties; they are not available to retail clients. This document does not constitute an offer to buy or sell shares or units in any fund or funds managed or advised by Acheron Capital Limited. The prospectus of the funds is the only authorized document for offering shares or units in the funds. The prospectus may only be distributed in accordance with the laws and regulations of each appropriate jurisdiction in which any potential investor resides. Investors are also reminded that past performance should not be seen as an indication of future performance and that they may not get back the amount originally invested. UK Investors do not benefit from the Financial Services Compensation Scheme (FSCS). Investment in the funds carry risks which are more fully described in the prospectus. The funds are only suitable for sophisticated investors who are aware of the risks of investing in hedge funds.