

## Life Settlement Assets PLC – Ordinary Share B

### Investment Objective

The company's investment objective is to achieve capital appreciation by arbitraging the demographic risk in the life settlement business. This strategy offers uncorrelated returns from traditional capital markets.

### Commentary

The life settlements market seems to have stabilized and embarked on a steady growth trajectory in the last two years, according to a new study by Conning. The second consecutive year of growth in the amount of face value settled may indicate a renewed interest in life settlements by investors. Investor interest reflects a combination of a prolonged low interest rate environment, continued investment allocations to non-correlating alternative asset classes, and the stability of the life settlement landscape. This stability results from greater investor understanding of the asset class and associated risks, a more favourable tax environment, and demographics trends driving a growing supply of policies that could be settled. Acheron Capital view remains that the current medical underwriting will result in significant market upheavals which, together with recession triggered liquidity pull out, will affect the asset class. Because of its pricing and management, our portfolios should be largely shielded from these forthcoming adverse effects.

The Share Class is reporting a performance of -1.75% for the month of October. One maturity has been registered this month, for a coverage of \$150k. Despite the insureds' increasingly advanced age, the Share Class is still short of maturities, affecting both performance and liquidity.

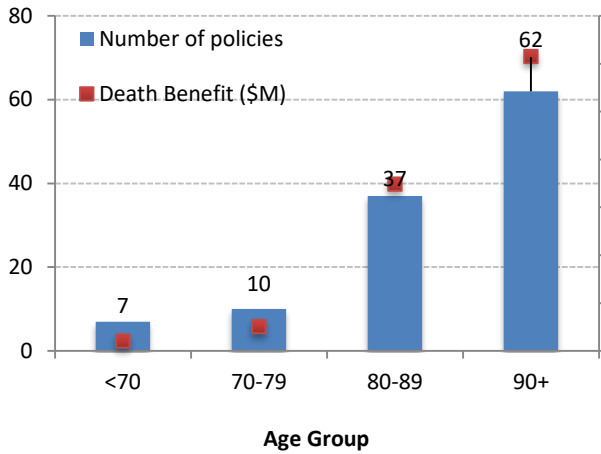
Investment Terms	Estimated NAV (USD)	NAV/Share
1.5% Management Fee	16,481,885.76	1.1292

Number Of Policies	Death Benefits (USD)	Matured Policies YTD*	Maturities YTD (USD)*
112	51 738 473	7	2 470 062

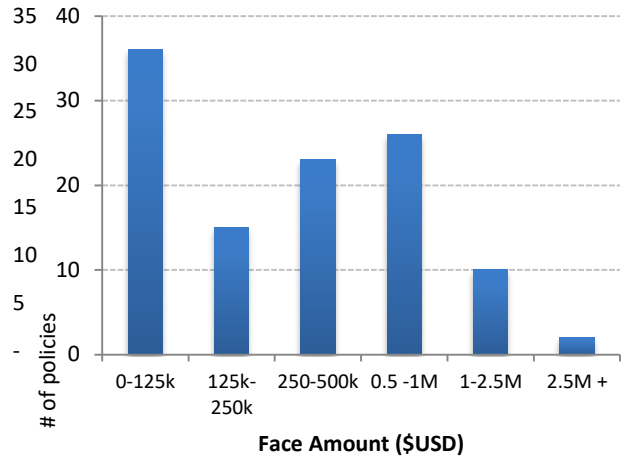
<b>Trust Investment Manager</b>	Acheron Capital Ltd.	<b>Company Secretary</b>	Maitland Administration Services Limited
<b>Administrator</b>	Compagnie Européenne de Révision	<b>ISIN Ticker</b>	GB00BF1Q4C12 LSAB
<b>Auditor</b>	Grant Thornton UK LLP	<b>Info</b>	life@acheroncapital.com +44 207 258 5990

\*This figure refers to maturities occurred in the portfolio held by Lorenzo Tonti 2006 Portfolio Trust

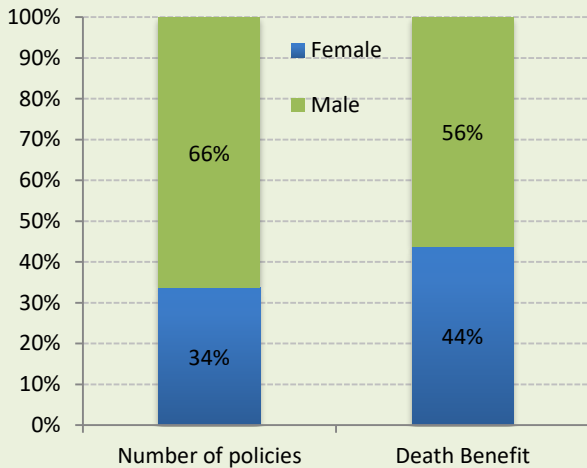
Distribution by Age<sup>(1)</sup>



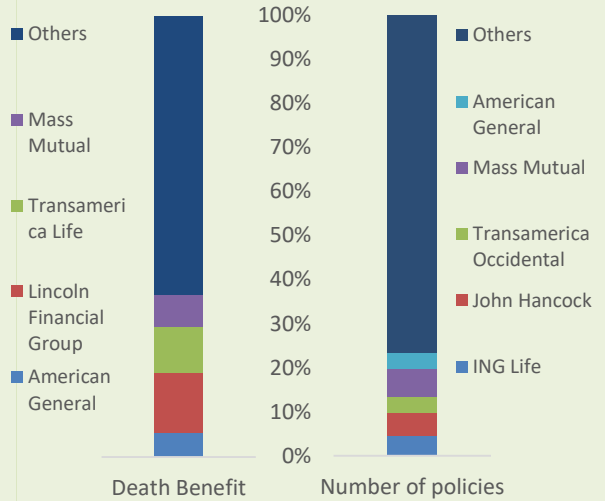
Distribution by Death Benefit Amount<sup>(2)</sup> (USD)



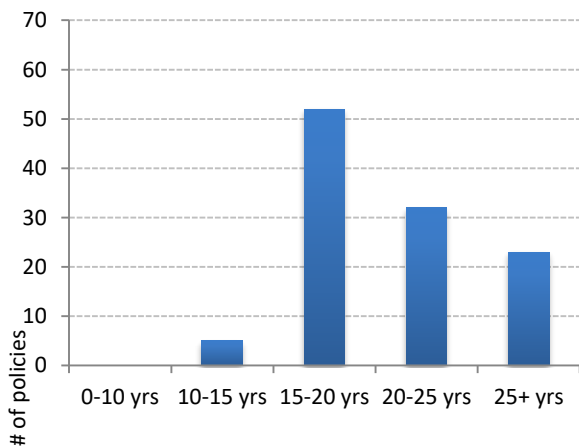
Distribution by Gender



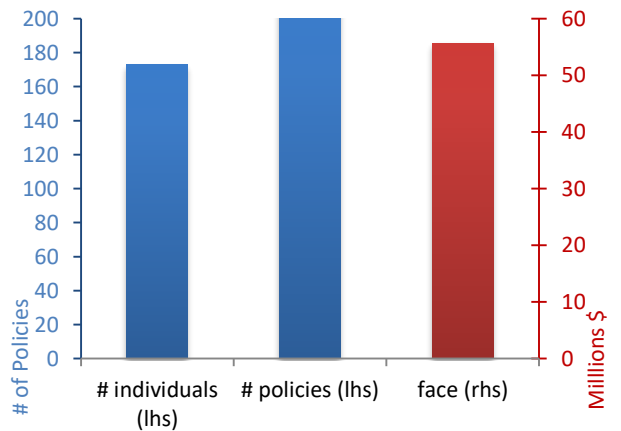
Distribution by Insurance Company



Distribution by Issue Date (Yrs)<sup>(3)</sup>



Maturities (USD)



\* Capital and/or dividend payment(s)

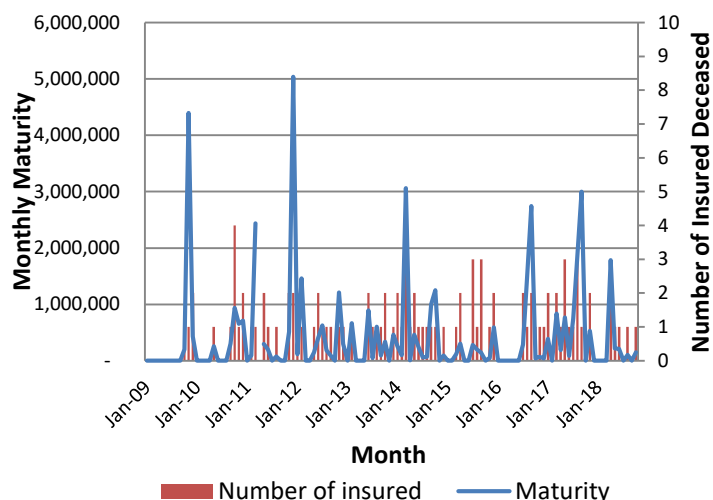
(1) 4 policies are survivorship, adding up 4 insureds.

(2) Indicates the available face amount to LSA which is a fractional interest of initial face amount.

(3) Distribution by issue dates reflects the time since the life insurance policy was issued.

Source of Data: Acheron Capital Ltd unless otherwise stated.

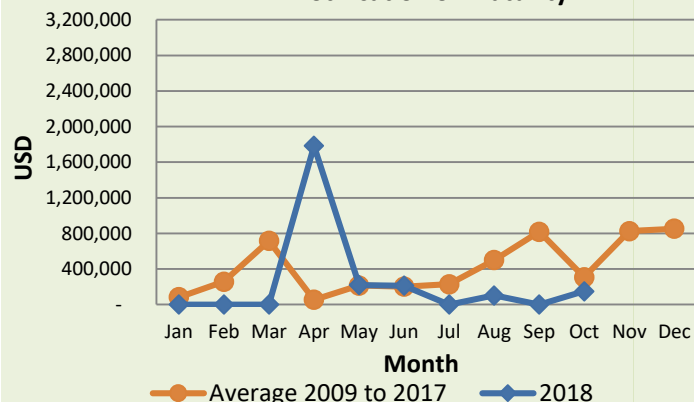
## Historical Maturity



## Maturities October 2018

Number of policies matured in October 2018	1
Corresponding number of insured	1
Total death benefit in October 2018(US\$)	150 000
Valuation of matured policies in Book (US\$)	22 555

## Notification of Maturity



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

Servicers Premiums Projection Beginning 2018 <sup>(2)</sup>	\$ 4.4M
Mortality Adjusted Premiums Projection Beginning 2018 <sup>(2)</sup>	\$ 4.5M
Estimated COI Net of Mortality Beginning 2018	\$ 3.7M

## Top 5 Coverage

Insured	Face (million)	Total Face (millions)	Age (ALB) survivorship:	Expiration Age*
1	5	5	93/97	100/105
2	1.5/1/0.3	2.8	87	100/100/100
3	2.75	2.75	87	100
4	1.6/0.6/0.5	2.7	98	115/120/120
5	1.4	1.4	95	100

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

Cash at hand and similar	\$ 1.6M
Gross Cash in Policies <sup>(3)</sup> (estimated as of end Dec 2017)	\$ 1.2M
Loan on Cash in Policies (estimated as of end Dec 2017)	\$ 0M
Net Cash in Policies <sup>(3)</sup> (estimated as of end Dec 2017)	\$ 1.1M
Maturities to be received	\$ 0.3M

(1) Figures as provided by third parties

(2) Adjusted for option trigger

(3) 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.