
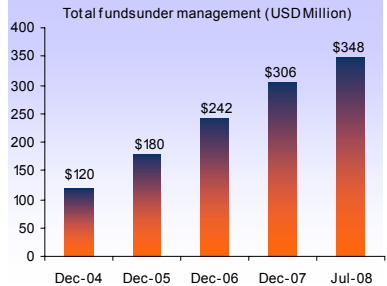
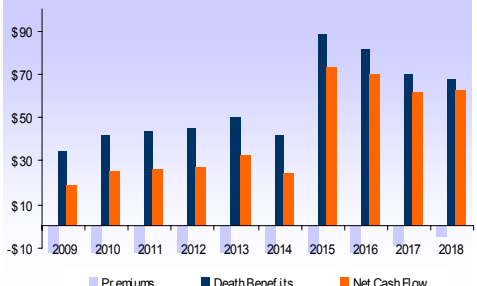


Fund data	Investment objectives	
<b>Fund launch date:</b> November 2006 <b>Class launch date:</b> November 2006 <b>Domicile:</b> Cayman Islands <b>Stock exchange listing:</b> Channel Islands <b>Dealing date:</b> Monthly on 16th <b>Year-end:</b> February 15th <b>Currencies available:</b> EUR, GBP, USD <b>Minimum investment:</b> \$ 50,000 or currency equivalent <b>Redemption notice:</b> 3 months <b>Marketing &amp; sales charge:</b> 6% amortised over a period of 6 years <b>Management fee:</b> 1.25% per annum <b>Performance fee:</b> Performance fee of 15% on performance above 9% yield <b>Redemption fees:</b> Month 0-12: 8%; Month 13-24: 6.67%; Month 25-36: 5.33%; Month 37-48: 4.00%; Month 49-60: 2.67%; Month 61-72: 1.33%; Month 72+: 0% <b>Benchmark:</b> 10 yr US Treasury Bond <b>Auditors:</b> BDO Tortuga	To provide capital growth with a target net rate of return of between 8% - 10% per annum. Investors may select at the outset to receive 8% per annum of their initial capital which will be distributed quarterly.	
	Asset strategy	
	The Fund purchases both physical long dated policies with a longevity of 8-12 years and synthetic policies to enhance returns to investors.	
	Asset acquisition criteria	Physical policies — selection criteria
	<ul style="list-style-type: none"> <li>Target portfolio longevity: 8-12 years</li> <li>Insurance carrier or swap counter party rated minimum A- by AM Best, Moody's or Standard &amp; Poor's</li> <li>Minimum of two current LE reports (dated within the last 6 months), with a maximum deviation of 15% (Accepted underwriters: AVS, 21st, Fasano, EMSI, ISC)</li> <li>Minimum age of insured: 70 years (physical policies)</li> <li>Target face value: \$ 2m to \$ 5m –minimum of \$ 1m and maximum of \$ 12m- (physical policies)</li> <li>Total optimised premiums to LE: less than 40% of face value (physical policies)</li> <li>Yield analysis to LE + 4 years: resulting IRR must be a minimum of current LIBOR at LE + 2 years and equal or better than zero at LE + 4 years</li> </ul>	<ul style="list-style-type: none"> <li>Must be fixed death benefit Universal Life (UL) or Term Insurance where convertible to UL and must be out of the contestability period</li> <li>Premium financed policies will be considered only if the programme was carrier approved or full recourse</li> <li>Where policy maturity is at age 100, policies with extension riders are preferred, and insured's age should be a minimum of two times the average LE from the maturity date</li> <li>Policy maturity should be at age 110 or later</li> </ul>
		Synthetic policies — selection criteria
		<ul style="list-style-type: none"> <li>Ability to construct a portfolio to enhance or complement the physical policy portfolio by:               <ul style="list-style-type: none"> <li>✓ Varying premiums and death benefits to fit fund's mortality curve</li> <li>✓ Diversifying the exposure to medical underwriter providers</li> <li>✓ Diversifying the exposure to carrier risk</li> </ul> </li> <li>Reference lives with a minimum age of 75 years</li> </ul>

Our team	Risk management			
 <b>Fund manager:</b> Centurion Fund Managers Ltd (Cayman Islands) (authorised by the Cayman Islands Monetary Authority): David Rawson-Mackenzie	<b>Credit risk</b>	Our objective is to minimise credit risk by having no more than 20% in any one policy issuer with a minimum rating of A- or higher		
	<b>Currency hedging</b>	We use a semi passive hedge strategy. Our objective is to retain 3% liquidity as a settlement margin for non USD classes		
	<b>Diversification risk</b>	The objective is to have in excess of 500 lives assured with a maximum exposure of 2% of the total portfolio in any one life assured		
	<b>Liquidity management</b>	Target reserve of 6 months of policy premiums with the ability to liquidate swaps rather than selling physical policies		
	<b>Valuation reserve</b>	We maintain a reserve built from those policies maturing prior to life expectancy to offset potential extended longevity to be equitable to all shareholders		
	<b>Valuation technique</b>	We use a non-linear deterministic methodology combined with an actuarial model so as not to prejudice investors entering and leaving the fund and to ensure market price correlation		
	<b>Fund codes</b>	<b>GBP</b>	<b>EUR</b>	<b>USD</b>
	ISIN	KYG548531097	KYG548531170	KYG548531253
	SEDOL	B1H19T4	B1H19V6	B1H19S3
	Bloomberg	LSSFMAS:KY	LSSFMAU:KY	LSSFMAU:KY
<b>Fund administrator:</b> Centurion Administration Services Limited (Mauritius) (regulated by the Financial Services Commission) <b>Currency hedging manager:</b> Tim Exall <b>Policy sourcing managers:</b> Charles Mabey, Charles Meeus <b>Custodian bank:</b> Fairbairn Private Bank (IOM) Ltd <b>US policy custodians:</b> Wells Fargo; Mills Potozcak & Company <b>US policy servicing agents:</b> Wells Fargo; Mills Potozcak & Company <b>Actuarial consultants:</b> Lewis & Ellis; Melinsky Pellegrini & Associates; Boger & Associates; Milliman <b>Fund directors:</b> Paul Backhouse; Nick Ferris; David Rawson-Mackenzie	<b>Centurion Fund Managers — an overview</b>	<b>Longevity funds — projected cash flow</b>		
				

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