Sovereign

Recovery Segregated Portfolios

Fact Sheet • November 2015

Fund performance to 1st November 2015

| Segregated Portfolio | Start Date | NAV | 1 month | 3 months | 6 months | 9 months | 12 Months | Since Launch |
|----------------------|------------|--------|---------|----------|----------|----------|-----------|--------------|
| EUR Recovery | 30/09/2005 | 59.309 | -5.00% | -9.72% | -24.59% | -23.94% | -27.41% | -40.69% |
| GBP Recovery | 30/09/2005 | 73.702 | -3.22% | -5.87% | -18.60% | -17.62% | -21.23% | -26.30% |

Commentary

Recovery Segregated Portfolios

Sovereign High Security Fund SPC (the 'Fund') is an absolute return fund that aims to achieve smooth predictable investment returns of between 8% and 9% per annum (net of fees in GBP and EUR) by investing in funds of Traded Life Policies (TLPs).

TLPs are United States issued life assurance policies where the policy owner has elected to sell the future benefits of his or her policy at a deep discount from a fixed maturity value. Unlike most asset classes we have the unique benefit of knowing how much profit has been made in advance of purchasing the asset, which enables the fund to deliver consistent, positive investment returns, even in a declining market.

The Fund aims to be up to 95% invested in funds that invest in TLPs, all of which must be issued by a broad spread of highly credited Life companies.

| Total Policy Value: | \$83,914,289 |
|---------------------------|--------------|
| Average Policy Value: | \$1,422,276 |
| Total Number of Policies: | 59 |
| Average Current Age: | 83.6 |

Liquidity

NAVs are calculated and published monthly and dealing for all segregated portfolios is on the 1st of each month. The fund is currently experiencing tight liquidity and restrictions apply to the redemption of shares from all segregated portfolios. Full details of the redemptions restrictions are detailed in the offering memorandum, which is available upon request.

Key features

- No initial charges
- 110% allocation on day one
- · Not stock market related
- Aims to deliver smooth predictable investment returns
- 1% annual management charge
- Available in GBP and EUR
- Minimum investment of \$50,000 (\$5,000 in a PPB)
- · Regulated Cayman Mutual Fund
- · Monthly dealing and valuations
- May be included in Personal Portfolio Bonds, SiPPs & Wraps

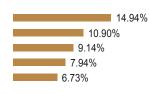
Financial Strength

Financial strength of insurance company holdings

| A.M. best classification | Percentage holding |
|--------------------------|-----------------------|
| A ++ | 3.58% |
| A+ | 69.12% |
| A | 14.04% |
| A- | 10.29% |
| Other | 2.97% |

Top 5 Holdings in TLPs

AXA Equitable Life Ins. Co. Prudential Ins. Co. of America American General Life Ins. Co. Transamerica Life Ins. Co. Nationwide Life Ins. Co.



Dealing Codes

| Segregated Portfolios | SEDOL | ISIN | BLOOMBERG | VALOREN |
|-----------------------------------|---------|--------------|------------|---------|
| EUR Recovery Segregated Portfolio | B0Z3DY8 | KYG8296W1731 | SHSFPRE:KY | 4964152 |
| GBP Recovery Segregated Portfolio | B0Z3BW2 | KYG8296W1657 | SHSFPRG:KY | 4964002 |





Recovery Segregated Portfolios

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