

Sovereign^s

Recovery Segregated Portfolios

Fund performance to 1st October 2015

Fact Sheet • October 2015

Segregated Portfolio	Start Date	NAV	1 month	3 months	6 months	9 months	12 Months	Since Launch
EUR Recovery	30/09/2005	62.428	-4.79%	-5.21%	-20.65%	-19.50%	-23.59%	-37.57%
GBP Recovery	30/09/2005	76.157	-2.85%	-2.57%	-15.57%	-14.67%	-18.38%	-23.84%

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.

Dealing Codes

Segregated Portfolios

EUR Recovery Segregated Portfolio
 GBP Recovery Segregated Portfolio

SEDOL
 B0Z3DY8
 B0Z3BW2

ISIN
 KYG8296W1731
 KYG8296W1657

BLOOMBERG
[SHSFPRE:KY](#)
[SHSFPRG:KY](#)

VALOREN
 4964152
 4964002

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.	14.94%
Prudential Ins. Co. of America	10.90%
American General Life Ins. Co.	9.14%
Transamerica Life Ins. Co.	7.94%
Nationwide Life Ins. Co.	6.73%



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