

The Directors of EEA Life Settlements Fund PCC Limited (the "**Company**") whose names and biographies appear on pages 16 and 17 of this Information Memorandum accept full responsibility for the information contained in this Information Memorandum. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this Information Memorandum is true and accurate in all material respects and there are no other material facts, the omission of which would make misleading any statement contained in this Information Memorandum whether of fact or opinion.

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## INFORMATION MEMORANDUM

### EEA LIFE SETTLEMENTS FUND PCC LIMITED

*(an open-ended protected cell company incorporated with limited liability under the laws of Guernsey with registered number 43302)*

1 March 2024

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This Information Memorandum, together with any supplements issued in respect of a particular Cell, represents scheme particulars as required by, and prepared in accordance with The Authorised Collective Investment Schemes (Class B) Rules and Guidance, 2021 (the "**Class B Rules**") as issued by the Guernsey Financial Services Commission (the "**GFSC**") pursuant to the Protection of Investors (Bailiwick of Guernsey) Law, 2020, as amended (the "**POI Law**").

**THE COMPANY IS CLOSED TO FURTHER SUBSCRIPTIONS. THIS INFORMATION MEMORANDUM HAS BEEN PREPARED SOLELY TO MEET THE COMPANY'S REGULATORY REQUIREMENTS IN ACCORDANCE WITH THE CLASS B RULES AND DOES NOT CONSTITUTE A DIRECT OR INDIRECT OFFERING OR PLACEMENT OF SHARES OR ANY OTHER OPPORTUNITY TO INVEST IN THE COMPANY.**

This Information Memorandum will be revised at least once in every twelve month period. If you are in any doubt about the contents of this document you should consult your tax, accountant, legal or professional adviser, or financial adviser, particularly if you are a US investor.

The Company has been authorised by the GFSC as a Class B Scheme under the POI Law. Neither the GFSC nor the States of Guernsey take any responsibility for the financial soundness of the Company or for the correctness of any statements made or opinions expressed with regard to it.

The Company is registered as a protected cell company under The Companies (Guernsey) Law, 2008, as amended, extended or replaced (the "**Companies Law**"). Persons investing in and dealing with a cell of the Company (a "**Cell**") shall only have recourse to that Cell and their interest shall be limited to the assets from time to time attributable to that Cell and they shall have no recourse to the assets of any other Cell or, except as provided under Part XXVII of the Companies Law, against any non-cellular assets of the Company.

The distribution of this Information Memorandum and the offering of shares in certain jurisdictions may be restricted. Persons into whose possession this Information Memorandum comes are required to inform themselves about and to observe any such restrictions. This Information Memorandum does not constitute an offer or solicitation by anyone in any jurisdiction in which such offer is not authorised or to any person to whom it is unlawful to make such offer or solicitation. No person may treat this Information Memorandum as constituting an invitation to such person unless in the relevant territory such an invitation could lawfully be made to such person without compliance with any registration or other legal requirements. In particular the shares in the Company have not been registered under the United States Securities Act of 1933, as

amended, and none of the shares may be offered, sold, transferred, signed or delivered directly or indirectly in the United States of America, its territories or possessions and all areas subject to its jurisdiction including the District of Columbia or to any US person.

The Company has not been and will not be registered under the United States Investment Company Act of 1940, as amended. Neither the Investment Adviser nor the Services Provider have been registered under the United States Investment Advisers Act of 1940, as amended. This Information Memorandum is not available to the general public in the United States.

Whilst this Information Memorandum may be issued outside the United Kingdom directly by the Company, and the Directors of the Company are responsible for its contents, wherever issued, it is being issued inside and outside the United Kingdom by EPIC Markets (UK) LLP only to and/or is directed only at persons who are professional clients or eligible counterparties for the purposes of the Financial Conduct Authority's Conduct of Business Sourcebook. In addition to the foregoing, the following restrictions shall also apply:

*If and to the extent that the Company is a collective investment scheme:* The Company is not a recognised collective investment scheme for the purposes of the Financial Services and Markets Act 2000 of the United Kingdom (the "**Act**"). The promotion of the Fund and the distribution of this Information Memorandum in the United Kingdom is accordingly restricted by law. This Information Memorandum is exempt from the scheme promotion restriction (in Section 238 of the Act) on the communication of invitations or inducements to participate in unrecognised collective investment schemes on the grounds that it is being issued to and/or directed at only the types of person referred to above. To the extent that this Information Memorandum is issued by EPIC Markets (UK) LLP, the Shares are only available to such persons and this Information Memorandum must not be relied or acted upon by any other persons.

*If and to the extent that the Company is a body corporate (not being an open-ended investment company):* No offer of the Shares in the Company may be made in the United Kingdom except: (i) to any legal entity which is a qualified investor as defined in the Prospectus Regulation; (ii) to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation), as permitted under the Prospectus Regulation; or (iii) in any other circumstances falling within Article 3(2) of the Prospectus Regulation, provided that in each case no such offer of Shares shall require the publication by the Company or any other entity of a prospectus pursuant to Article 3 of the Prospectus Regulation. For these purposes, the expression "Prospectus Regulation" means Regulation 2017/1129 as it forms part of the domestic law of the United Kingdom ("**UK**") and amendments thereto.

*In either case:* Any recipient of this Information Memorandum who is an authorised person may (if and to the extent it is permitted to do so by the Financial Conduct Authority rules applicable to it) distribute it or otherwise promote the Company in accordance with either Section 238 of the Act or the Prospectus Regulation, as the case may be, but not otherwise. Any recipient of this Information Memorandum who is not an authorised person may not distribute it to any other person.

The Company is an "AIF", as defined in Regulation 3 of the Alternative Investment Fund Managers Regulations 2013/1773 ("**AIFMR**") and Article 4(1)(a) of the EU Alternative Investment Fund Managers Directive (2011/61/EU) ("**AIFMD**").

As at the date of this Information Memorandum, the Company has not been approved, notified or registered in accordance with Regulation 59 of the AIFMR or Article 42 of AIFMD for marketing to professional investors in the UK or any member state of the European Economic Area. Such approval, notification or registration will not be made or sought in the future since the Company is closed to further subscriptions and will not, therefore, be marketed to professional investors in the UK or the European Economic Area.

Since the Company is closed to further subscriptions, no key information document has been prepared in respect of the Shares in accordance with Regulation (EU) No 1286/2014 on key information documents for packaged retail and insurance-based investment products (PRIIPs). Accordingly, Shares are not available to, and no person may advise on, offer or sell Shares for or to, any retail client (as defined in Regulation (EU) No 1286/2014 as it forms part of the domestic law of the UK and in the EU Markets in Financial Instruments Directive (2014/65/EU)) in the UK or the European Economic Area.

Investors in the Company are not eligible for the payment of any compensation under the Collective Investment Schemes (Compensation of Investors) Rules, 1988, as amended, made under the POI Law.

It should be remembered that the Net Asset Value per Share and the income from the Shares (if any) can go down as well as up and that, on the redemption of their Shares, investors may not receive the amount that they originally invested.

The Directors of the Company may at their discretion decline any application and are not obliged to give reasons for so doing.

The attention of investors is drawn to the section entitled Risk Warnings on pages 31 to 36 and the section entitled Redemptions on page 26

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## DIRECTORY

<b>Company</b>	EEA Life Settlements Fund PCC Limited Registered Office: 1 Royal Plaza Royal Avenue St Peter Port Guernsey GY1 2HL
<b>Directors</b>	Mark Colton (Chairman) Christopher Daly Ashley Northgrave  The address for each director is the registered address of the Company
<b>Services Provider</b>	EPIC Investment Partners (Guernsey) Limited Registered Office: Windsor House Le Pollet St Peter Port Guernsey GY1 1WF
<b>Administrator, Secretary and Registrar</b>	Apex Fund Administration (Guernsey) Limited Registered Office: 1 Royal Plaza Royal Avenue St Peter Port Guernsey GY1 2HL
<b>Custodian</b>	BNP Paribas, S.A., Guernsey Branch Registered Office: BNP Paribas House St Julian's Avenue St Peter Port Guernsey GY1 1WA
<b>Sub-Custodian</b>	Citizens Bank N.A One Citizens Plaza JCB 125 Providence, RI 02903 United States of America
<b>Auditors</b>	Grant Thornton Limited St James Place St James Street St Peter Port Guernsey GY1 2NZ

**Guernsey Legal Advisers**

Walkers (Guernsey) LLP  
Block B  
Helvetia Court  
Les Echelons  
St Peter Port  
Guernsey  
GY1 1AR

## DEFINITIONS

"**2024 Reconstruction**" means the reconstruction of the Company in 2024 resulting in the collapse of all: (i) run-off share classes existing at such time into the GBP New Run-Off Cell; and (ii) continuing share classes existing at such time into the GBP New Continuing Cell;

"**Administrator, Secretary and Registrar**" means Apex Fund Administration (Guernsey) Limited or such other entity appointed as administrator, secretary and/or registrar to the Fund from time to time;

"**Administration Agreement**" has the meaning ascribed to that term in the section titled "General Information: Material Agreements";

"**Anti-Dilution Levy**" means a levy of such amount as may be determined by the Services Provider in its absolute discretion which may be made upon redemptions by Shareholders as further described in the section titled "Dealing Process: Redemption Charge/Anti-Dilution Levy";

"**Articles**" means the articles of incorporation of the Company as amended from time to time;

"**Auditors**" means Grant Thornton Limited or such other firm appointed as auditors from time to time;

"**Business Day**" means any day (other than a Saturday or Sunday) on which banks in Guernsey are open for normal banking business or as the Directors may from time to time determine;

"**Cash Instruments**" includes cash in any current account or on deposit with or certificates of deposit issued by any bank or building society, short to medium term bonds or notes issued by any bank, building society or national government, units or other interests in collective investment schemes investing at least 90 per cent. of their assets in any of the foregoing and all other assets which the Directors in their discretion consider to be of a similar nature;

"**Cell**" means a cell created by the Company established and maintained in accordance with the Articles for the purpose of segregating and protecting cellular assets in the manner provided by Part XXVII of the Companies Law. A list of the Cells are set out in the Schedule;

"**Common Reporting Standard**" means the standard developed by the Organisation for Economic Co-operation and Development (OECD) for the automatic exchange of information;

"**Company**" means EEA Life Settlements Fund PCC Limited;

"**Companies Law**" means The Companies (Guernsey) Law, 2008 as amended, extended or replaced;

"**Continuing Cell**" means the GBP New Continuing Cell;

"**Continuing Shares**" means Shares in the Continuing Cell;

"**Current Underlying Investments**" means the assets and investments in which the Cells (or former Cells, taking into account the adjustments required in relation to the 2024 Reconstruction) were invested, directly and indirectly, as at the Effective Date and as adjusted for any subsequent maturities or realisations or for any assets or investments that have subsequently expired or lapsed;

"**Custodian**" means BNP Paribas S.A., Guernsey Branch or such other entity appointed as custodian to the Fund from time to time;

"**Custodian Agreement**" has the meaning ascribed to that term in the section titled "General Information: Material Agreements";

"**Directors**" means the board of directors of the Company, EEA Holdings, the Master Subsidiary, the Master Sub II and/or EEA Inc (as appropriate);

"**EEA Holdings**" means EEA Life Settlements Holdings Limited, a limited liability company incorporated in Guernsey with registration number 51784;

"**EEA Inc**" means EEA Life Settlements Inc., a corporation formed under the laws of Delaware;

"**Effective Date**" means 1 January 2014;

"**Euro**" or "**€**" means the lawful European single currency;

"**Fund**" means any one or more of the Company, its Cells, EEA Holdings, the Master Subsidiary, the Master Sub II and EEA Inc (as the context may require);

"**GBP**" or "**£**" means the lawful currency of the United Kingdom;

"**GFSC**" means the Guernsey Financial Services Commission or any successor body;

"**Hedging Instruments**" means forward contracts, futures contracts, options or any other derivative instruments or instruments used to hedge risk;

"**Independent Valuation Agent**" means Maple Life;

"**Internal Revenue Service**" or "**IRS**" means the United States Internal Revenue Service;

"**Investment Adviser**" means ViaSource Funding Group, LLC, a limited liability company incorporated in the state of New Jersey, the United States, whose registered office is at 106 Allen Road, Bernards Township, New Jersey 07920, US or such other entity appointed as investment adviser to the Fund from time to time;

"**Investment Advisory Agreement**" has the meaning ascribed to that term in the section titled "General Information: Material Agreements";

"**Investment Assets**" means the assets owned by the Fund for investment purposes but not including Cash Instruments;

"**Investment Value**" means the value of the Investment Assets determined by the Services Provider or the Investment Adviser at the Valuation Point;

"**Leverage**" means the use of borrowing to increase the investment in the Investment Assets;

"**life settlement**" means an agreement entered into between a company and an insured that establishes the terms under which the company will pay compensation or anything of value, which compensation or value is less than the expected death benefit of the insurance policy, in return for the insured's assignment, transfer, sale, devise or bequest of the death benefit or ownership of the insurance policy to the company;

"**Management Share**" means a management share in the Company of €1.00 each;

"**Maple Life**" means Maple Life Analytics LLC, a limited liability company incorporated in the State of Delaware;

"**Master Subsidiary**" means EEA Life Settlements Master Fund Limited, a limited liability company incorporated in Guernsey with registration number 45372;

"**Master Sub II**" means EEA Life Settlements Master Fund II Limited, a limited liability company incorporated in Guernsey with registration number 50574;

"**Net Asset Value**" means the net asset value of the Fund determined in accordance with the section entitled "Valuation" herein and the constituent documents of the Fund;

"**Net Asset Value per Share**" means the Net Asset Value attributable to a Cell divided by the number of Shares in that Cell, as determined in accordance with the section entitled "Valuation" herein and the constituent documents of the Fund;

"**New Underlying Investments**" means the Continuing Cell's future investments made by investing in Other Instruments, as further described in the relevant Supplement(s);

**"Non-United States Person"** means (a) a natural person who is not a resident of the United States, (b) a partnership, corporation or other entity, other than an entity organised principally for passive investment, organised under the laws of a non-US jurisdiction and which has its principal place of business in a non-US jurisdiction, (c) an estate or trust, the income of which is not subject to United States income tax regardless of source, (d) an entity organised principally for passive investment such as a pool, investment company or other similar entity, provided that units of participation in the entity held by persons who do not qualify as Non- United States Persons or otherwise as qualified eligible persons represent in the aggregate less than 10% of the beneficial interest in the entity and that such entity was not formed principally for the purpose of facilitating investment by persons which do not qualify as Non- United States Persons in a commodity pool with respect to which the commodity pool operator is exempt from certain requirements of Part 4 of the CFTC's regulations by virtue of its participants being Non-United States Persons, and (e) a pension plan for employees, officers or principals of an entity organised and with its principal place of business outside the United States;

**"Other Instruments"** means instruments which provide exposure to life settlements with similar characteristics to those described in this Information Memorandum, as determined by the Services Provider in its absolute discretion and which, for the avoidance of doubt includes investments in EEA Holdings;

**"POI Law"** means The Protection of Investors (Bailiwick of Guernsey) Law, 2020, as amended;

**"Premium Payment Agent"** means Mills, Potoczak & Company in its capacity as premium payment agent or such other entity appointed as premium payment agent to the Fund from time to time;

**"Redemption Charges"** means charges levied upon redemption of Shares in any of the Cells;

**"Redemption Day"** means a day on which the Shares in a Cell can be redeemed as determined by the Directors from time to time;

**"Redemption Value"** means the amount per Share on the redemption of any such Share determined in accordance with the section entitled "Valuation" herein before deduction of any Redemption Charges;

**"Registrar Agreement"** has the meaning ascribed to that term in the section titled "General Information: Material Agreements";

**"Required Details"** means in respect of an individual his name, his usual residential address, his nationality, and his date of birth and in respect of a company its corporate or firm name, its registered office (or, if it has no registered office, its principal office), its legal form and the law by which it is governed, and if applicable, the register in which it is entered and its registration number in that register and, in each case, such additional information as the Directors may reasonably require;

**"Run-Off Cell"** means the GBP New Run-Off Cell;

**"Run-Off Shares"** means Shares in the Run-Off Cell;

**"Schedule"** means the schedule to this Information Memorandum;

**"Services Agreement"** has the meaning ascribed to that term in the section titled "General Information: Material Agreements";

**"Services Provider"** means EPIC Investment Partners (Guernsey) Limited or such other entity appointed as services provider to the Fund from time to time;

**"Servicing Agent"** means Mills, Potoczak & Company in its capacity as servicing agent or such other entity appointed as servicing agent to the Fund from time to time;

**"Shareholder"** means a person who is registered as a holder of Shares;

**"Shares"** means shares in one or more Cells which for the avoidance of doubt excludes the Management Shares;

**"Sub-Custodian"** means Citizens Bank N.A., whose registered office is at One Citizens Plaza, JCB 125, Providence, RI 02903, USA, or such other entity appointed as sub-custodian to the Fund from time to time;

**"Supplement"** or **"Supplements"** means the supplement(s) to this Information Memorandum related to each of the Cells;

**"US"** means the United States of America;

**"US Person"** means a person other than a Non-United States Person;

**"USD"**, **"US Dollar"** or **"US\$"** means the lawful currency of the US; and

**"Valuation Point"** means the time in Guernsey on a Business Day determined by the Directors from time to time at which the Investment Assets and/or Cash Instruments of the Fund, are valued for dealing, subscription or redemption (as appropriate).

## INTRODUCTION

### The Fund

The Company is a Guernsey registered protected cell company and is an authorised open-ended Class B Scheme. The Company may create one or more Cells for the purpose of segregating and protecting cellular assets and may issue Shares in respect of each Cell.

The assets, liabilities, income and expenses attributed to each class of Shares are applied to the Cell established for that class and kept separate and segregated from those attributable to other classes of Shares. Any such assets, liabilities, income and expenses not attributable to a particular class of Shares are allocated between all Cells at the discretion of the Board on such basis as it considers fair.

Each of the Cells currently invests substantially all of its capital into EEA Holdings, which in turn invests substantially all of its capital into Master Sub II. The investment policy of Master Sub II is to provide equity and debt financing to EEA Inc, its wholly owned subsidiary. The investment policy of EEA Inc is to invest in a diversified portfolio of life settlements. The Company will therefore be exposed to the performance of EEA Holdings, the Master Subsidiary, the Master Sub II and EEA Inc. Direct investments into EEA Holdings, the Master Subsidiary, the Master Sub II and EEA Inc by investors is not permitted.

In respect of the Continuing Cell, as Current Underlying Investments mature/are realised and the proceeds are paid to the Continuing Cell, the portion of such maturity/realisation proceeds described in the relevant Supplement(s) will be used by the Continuing Cell to invest in Other Instruments.

In respect of the Run-Off Cell, as Current Underlying Investments mature/are realised and the proceeds are paid to the relevant Run-Off Cell, the portion of such maturity/realisation proceeds described in the relevant Supplement(s) will be distributed to Shareholders in the manner described in the relevant Supplement(s).

The terms and conditions specific to each Cell are set out in the relevant Supplement.

On 1 March 2024, the Company undertook the 2024 Reconstruction, as approved by Shareholders, in order to implement certain cost-saving measures. As part of the 2024 Reconstruction, all Run-Off Shares existing immediately before the implementation of the 2024 Reconstruction were converted into Shares of the Run-Off Cell (being the GBP New Run-Off Cell) and all Continuing Share existing immediately before the implementation of the 2024 Reconstruction were converted into Shares of the Continuing Cell (being the GBP New Continuing Cell).

### The Directors

The directors of the Company are as follows:

**Mark Colton** is a Partner and Head of Investment Consultancy Services at BWCI Group. He joined the BWCI Group in 2003 and specialises in providing investment and actuarial consultancy services to corporate clients such as pension scheme trustees, captive insurance companies and life assurance companies. He currently holds a number of directorships in insurance-related companies. Prior to joining BWCI he was director and general manager of a major international insurer based in Guernsey.

**Christopher Daly** is a Managing Director of ViaSource Funding Group, LLC, and its four subsidiaries which issued financial notes securitised by life insurance policies. ViaSource Funding Group, LLC is the Investment Adviser of the Fund. Prior to joining ViaSource, he held senior financial positions and served as a director of several medium sized companies in The United States of America.

**Ashley Northgrave** is a professional non-executive director with an extensive background spanning 29 years in client-facing financial services and three decades in overseeing commercial private enterprises. These include serving as a Board Director at Royal Bank of Canada, where he held key positions such as Head of Bespoke Investment Management Channel Islands and Board Director for Royal Bank of Canada's Offshore Fund Administration company.

Save as set out herein, including under "GENERAL INFORMATION - General", no Director has any material interest in any contract or arrangement subsisting at the date of this Information Memorandum and which is significant in relation to the business of the Company other than by virtue of his interest in the Investment

Adviser, and the Services Provider, which are parties to the Investment Advisory Agreement and the Management Agreement respectively.

## INVESTMENT OBJECTIVES, POLICY AND RESTRICTIONS

### Investment objectives

The investment objective of the Fund is to trade the property interest in outstanding life insurance policies issued primarily in the United States, the maturity of which can reasonably be ascertained and, in respect of the Continuing Cell, to invest in Other Instruments.

The Fund aims to achieve long term capital growth in respect of the Continuing Cell and to return capital to investors in respect of the Run-Off Cell.

Each Cell has the specific investment objectives as set out in the relevant Supplement.

### Investment policy

The Fund invests in a diversified portfolio of life policies, subject to the relevant investment restrictions intended to spread the risk. The Services Provider may, where appropriate for the reduction or control of risk, apply hedging strategies provided such strategies are consistent with the investment objectives, policies and restrictions of the Fund.

As life policies held by the Fund mature/are realised and the proceeds are repatriated to the Company, a portion of such proceeds as described in the relevant Supplement(s) will be used by the Continuing Cell to invest in Other Instruments, and by the Run-Off Cell to return capital to holders of Run-Off Shares.

Should the distribution of Available Cash be restricted, the Fund/Cells may allocate these funds to short-term financial instruments. This includes high-quality cash equivalents and money-market instruments, strategically selected to enhance yield while prioritising liquidity and the stability of principal.

Each Cell has the specific investment policy as set out in the relevant Supplement hereto.

### Investment restrictions

The following investment restrictions will apply to the Fund. The Fund shall:

- (a) not purchase a policy which is issued by an insurance company rated less than "B" by one of the major rating agencies (Standard & Poor's, Moody's, A.M. Best and Fitch), unless in the case of a life policy in a state with a state guaranty fund and the amount of the underlying life insurance policy is less than the limits of the guaranty fund; or
- (b) not purchase a policy which has not yet passed the suicide and contestability period (suicide period is a limitation in life insurance policies to the effect that no death benefits will be paid if the insured commits suicide during a specified initial period, usually the first two years that the policy is in force; contestability period is the period of time, generally two years, during which an insurance company can declare a life insurance contract void because of misrepresentation or concealment by the insured in obtaining the policy); or
- (c) not purchase policies held by insureds diagnosed with the same illness the aggregate face value of which is more than 20 per cent. of the total face value of the policies held by the Fund; or
- (d) not purchase policies issued by one single insurance company the aggregate face value of which is more than 20 per cent. of the total face value of the policies held by the Fund; or
- (e) not purchase policies from an insured whose life expectancy is more than 96 months from the date of purchase; or
- (f) not purchase policies from a non-United States resident; or
- (g) not purchase policies the face value of which exceeds 3.5 per cent. of the total face value of the policies held by the Fund including such purchase; or

- (h) not purchase any policies where the insured has been diagnosed as having AIDS or being HIV positive; or
- (i) not purchase a term life policy, the remaining term at the time of the purchase of which is less than 10 years if the life expectancy of the insured is 4 years, or 9 years if the life expectancy of the insured is 3 years or less; or
- (j) invest in foreign exchange forward contracts, futures contracts and options for the purpose of hedging of the investments only; or
- (k) save in respect of, where relevant, Other Instruments, not invest more than 10 per cent. of its net asset value in other collective investment schemes; or
- (l) not borrow more than 10 per cent. of its net assets for any purpose.

For the avoidance of doubt, the investment restrictions above apply at the time of investment only. Accordingly, the Services Provider and the Fund are not obliged to sell any such policies as a result of a change to the credit rating of an insurance company or a change to the value of otherwise of any such policies.

New Underlying Investments will be of the same type as Current Underlying Investments, being life insurance policies issued solely in the US.

The specific investment restrictions for each Cell are set out in the relevant Supplement hereto.

### **Borrowing policy**

The Fund will not borrow more than 10 per cent. of its net assets.

The Fund may borrow for redemption, payment of premia and expenses and bridging between the settlement of investments subject to the limit stated above. It is not currently the policy of the Fund to borrow for leveraging its investments, but the Fund reserves the right to do so.

### **Hedging policy**

There is no limit on the Fund's hedging of the assets and liabilities of the Fund except as stated in the Supplements. There are presently no hedging instruments for hedging the fluctuation in value of life insurance policies. If such a product becomes available, the Fund may enter into hedging arrangements. There is no limit to the amounts payable by way of premium or margin for such arrangements.

The Fund shall not be under any obligation to hedge, or to use its best endeavours to hedge, the non-US Dollar currency exposure of the Shares. Without prejudice to the foregoing, the Directors may determine to hedge such exposure in respect of one or more Cells where they, in consultation with the Services Provider, believe in their absolute discretion that it would be possible to enter into appropriate hedging arrangements on commercially reasonable terms.

## **MANAGEMENT AND ADMINISTRATION**

### **Services Provider**

EPIC Investment Partners (Guernsey) Limited, a company incorporated in Guernsey with limited liability was appointed as services provider to the Company effective from 1 January 2024. The directors of the Services Provider are as follows:

**Martyn Roussel** worked at Kleinwort Benson in Guernsey from 1994 to 2000, where he was Head of Portfolio Management. He became a director of Kleinwort Benson Asset Management Limited in 2000. From 2002 to 2006, he worked as an investment manager at Fortis, and was also a member of the advisory committee for a substantial family trust. During his period at Fortis, he had specific responsibility for collective investment scheme investment analysis and helped design Fortis' multi-manager funds model for the sterling area. He is former Chairman of the Guernsey Investment Managers and Stockbrokers Association.

He is a member of the Institute of Directors, where he holds the Certificate and Diploma in Company Direction and has a BA in Economics.

**Joseph Hurley** has worked in the investment management industry since 2008 and has experience and knowledge of various types of global fund structures. He joined EEA Fund Management Limited in 2008, where he spent 5 years before joining Pensato Capital Management LLP in 2013 as a Senior Operations Analyst. In 2014, he returned to EPIC as Head of Operations, before becoming Group Chief Operating Officer.

### **Investment Adviser**

The Services Provider has appointed the Investment Adviser as the investment adviser to carry out its investment management responsibilities in relation to the Fund under the Investment Advisory Agreement dated 1 March 2024. The Services Provider has also appointed the Investment Adviser to provide tracking services while the life policies are held by the Fund. The Investment Adviser is a limited liability company formed on 12 April 1999 in the State of New Jersey, USA. The Investment Adviser, the Services Provider and the Custodian are independent of each other.

The Investment Adviser is responsible for the investment of the Fund's assets and has discretionary authority to invest the same in accordance with the objectives, policies and investment restrictions set out herein subject to the approval of the Servicing Agent.

The Investment Adviser is a life settlement provider that has developed significant experience in the successful establishment and management of special purpose investment funds that acquire life settlements. It has developed core competencies in the successful management of life settlement investment funds. In servicing the life settlement funds, the Investment Adviser performs all the tasks from sourcing of policies, follow up with the health status of the insured to the final settlement on maturity.

The Investment Adviser has also been appointed as agent of the Custodian to direct the operation of accounts maintained by the Sub-Custodian on behalf of the Fund and to give instructions and receive full information in respect of those accounts.

The Investment Adviser may not sell any life settlement held by it for its own account to the Fund.

### **Custodian**

The Custodian of the Fund is BNP Paribas S.A., Guernsey Branch. The principal activity of the Custodian is the provision of trustee, custodian, banking and fund services to collective investment schemes and financial institutions. The Custodian is licensed to carry out controlled investment business in the Bailiwick of Guernsey and has issued and paid up share capital of €2,468 million.

BNP Paribas S.A., is a company incorporated in France on 23 September 1966. The registered office is at 16 Boulevard des Italiens, 75009, Paris, France.

The Custodian holds (either itself or through its agents or delegates) all the assets of the Fund and all documents of title to such assets but has no responsibility for selecting or valuing the investments of the Fund. The Custodian has no decision-making discretion in relation to the Fund's assets. Pursuant to the Custodian Agreement, the Custodian may appoint sub-custodians, agents and delegates to perform its duties. The Custodian will not be liable for any loss directly or indirectly arising as a result of the acts or omissions of its sub-custodians, agents or delegates, provided always that the Custodian used reasonable skill, care and diligence in the selection and on-going monitoring of sub-custodians, agents or delegates. The Custodian is primarily responsible under the Class B Rules for the keeping of the register of Shareholders. The Custodian has delegated this task to the Administrator.

The Custodian has given notice to resign as custodian of the Fund, subject to the appointment of a replacement custodian, effective on or before 30 September 2013. However, although this did not occur by 30 September 2013 (and has not occurred as at the date of this Information Memorandum), pursuant to the Class B Rules, the Custodian's appointment will continue in full force and effect until a new custodian has been appointed.

## **Sub-Custodian**

The Fund and the Custodian have appointed Citizens Bank N.A. as sub-custodian to hold the life insurance policies for the Fund, serve as an escrow agent in connection with the purchase of life settlements, establish a premium reserve account and file with the insurance companies claims prepared by the Investment Adviser for the benefit of the Company.

Citizens Bank N.A., a national banking association with its principal place of business at One Citizens Plaza, Providence, acting through its Institutional Services Group located at One Citizens Bank Way, JCB 125, Johnston, RI 02919. It is incorporated in Rhode Island and headquartered in Providence.

## **Servicing Agent**

The Fund and the Investment Adviser have appointed Mills, Potoczak & Company as servicing agent of the Fund. The Servicing Agent will monitor all future premiums to be paid on life policies held by the Fund.

## **Premium Payment Agent**

The Fund, the Investment Adviser and the Sub-Custodian have appointed Mills, Potoczak & Company as premium payment agent to make payments of premiums due under life policies.

## **Administrator, Secretary and Registrar**

The Administrator, as administrator and secretary of the Fund, provides administration services to the Fund, as well as the valuation of each Cell, and the issue and redemption of Shares and interests in EEA Holdings, the Master Subsidiary, the Master Sub II and EEA Inc. In addition, the Custodian has delegated its duties as registrar in respect of the Fund to the Administrator.

The Administrator (formerly named MJ Hudson Fund Services Guernsey Limited, and formerly Saffery Champness Fund Services Limited) is a company incorporated in Guernsey with limited liability on 19 February 2007 and is licensed by the GFSC to carry out the restricted activities of promotion, subscription, registration, dealing, management, administration, advising and custody in connection with category 1 collective investment schemes and category 2 general securities and derivatives under the POI Law. For the purposes of the POI Law and applicable Rules, the Administrator is the designated administrator.

The register of Shareholders may be inspected at the registered office of the Company.

There are no arrangements with third parties under which the Administrator will receive indirect payments for its services.

## **LIFE POLICY INVESTMENT PROCESS**

### **Policy Acquisition**

No further life policies will be purchased by the Fund unless the Directors in their absolute discretion determine to issue further Shares, and then only the subscription proceeds of such Shares will be used to purchase life policies.

Notwithstanding the foregoing: (i) the Continuing Cell may acquire interests in life policies through subsidiaries of the Fund; and (ii) life policies may be purchased by entities to which Other Instruments have exposure.

### **Premiums payment on life policies**

The Investment Adviser prepares a schedule of premiums to be paid on the life policies held and sends the same to the Servicing Agent for verification. The Servicing Agent certifies the premiums for the disbursement by the Premium Payment Agent following receipt of the monies from the Sub-Custodian.

## **Tracking**

The medical professionals appointed by the Investment Adviser contact the nominated care providers of the insureds quarterly to receive an update from them on the current health status of the insured. In some circumstances, nominated care providers may provide such updates less frequently than on a quarterly basis.

### **Maturity of life policies**

Upon notification of the maturity of a life policy, the Investment Adviser obtains a death certificate from the relevant authority and then processes the death claims from the insurance company with all proceeds going to the Sub-Custodian.

### **Valuation of life policies**

Valuation of the life settlement investments is prepared by the Independent Valuation Agent, in accordance with the section titled "Valuation" herein, on the basis of quarterly updates of each of the life settlement investments provided by the Investment Adviser.

## **TAXATION**

### **Guernsey**

The summary below is based on current law and practice in Guernsey and is subject to changes therein. The information should not be regarded as legal or tax advice.

#### *Taxation of the Company, EEA Holdings, the Master Subsidiary and the Master Sub II*

The Company, EEA Holdings, the Master Subsidiary and the Master Sub II are eligible for exemption from income tax in Guernsey under the provisions of the Income Tax (Exempt Bodies) (Guernsey) Ordinance, 1989 (the "**Tax Ordinance**"). Under the provisions of the Tax Ordinance, exemption is granted by the States of Guernsey Treasury and Resources Department on an annual basis provided that each of the Company, EEA Holdings, the Master Subsidiary and the Master Sub II continues to comply with the requirements of the Tax Ordinance and upon the payment of an annual fee which is currently £1,600 per annum. Under the current law and practice in Guernsey, the Company, EEA Holdings, the Master Subsidiary and the Master Sub II will only be liable to tax in Guernsey in respect of income arising in Guernsey, other than bank deposit interest. It is the intention of the Directors to conduct the affairs of the Company, EEA Holdings, the Master Subsidiary and the Master Sub II so as to ensure that each retains such exempt status.

In response to the review carried out by the European Union Code of Conduct Group ('**EUCCG**'), the States of Guernsey has abolished exempt tax status for the majority of companies and introduced a zero rate of tax for companies carrying on all but some specified types of regulated business. However, as collective investment schemes were not one of the regimes in Guernsey that were classified by the EUCCG as being harmful, collective investment schemes have continued to be able to apply for exempt status for Guernsey tax purposes.

A review of Guernsey's corporate tax regime was announced by the States of Guernsey in October 2009, again in response to further comments from the EUCCG. A consultation document was issued on 21 June 2010. The EUCCG then in 2012 reviewed Guernsey following similar reviews of other Crown Dependencies in 2011, and reported that Guernsey's deemed distribution regime was non Code compliant. The States of Guernsey has responded by agreeing to abolish deemed distributions to subsequently allow Guernsey to become Code compliant, which was formally ratified by the EU's Economic and Financial Affairs Council (ECOFIN) in December 2012. Meanwhile, collective investment schemes have again not been affected and can continue to apply for exempt tax status.

Guernsey does not levy taxes upon capital inheritances, capital gains, gifts, sales or turnover, nor are there any estate duties (save that ad valorem fees are payable in respect of the grant of any probate).

No stamp duty is chargeable in Guernsey on the issue, transfer, switching or redemption of Shares.

### *Shareholders*

Guernsey does not levy capital gains tax and, therefore, neither the Company nor any of its Shareholders will suffer any tax in Guernsey on capital gains. Payments made by the Company to Shareholders, whether made during the life of the Company or by distribution on the liquidation of the Company, will not be subject to Guernsey tax. Whilst exempt, the Company is not required to deduct Guernsey income tax from dividends on any participating share (if applicable) paid to Guernsey residents. However, each of the Company, EEA Holdings, the Master Subsidiary and the Master Sub II will be required to furnish particulars to the Revenue Service in Guernsey and also make a return on an annual basis, when renewing its exempt tax status, as described above, of the names, addresses and gross amounts of income distributions paid to Guernsey resident Shareholders during the previous year.

The governments of the United States and Guernsey have entered into an intergovernmental agreement related to implementing FATCA (as defined on page 38) which is implemented through Guernsey's domestic legislation, in accordance with the regulations and guidance (such guidance is subject to change).

Guernsey has also implemented the Common Reporting Standard ("**CRS**") and under the CRS and legislation enacted in Guernsey to implement the CRS with effect from 1 January 2016, certain disclosure requirements apply in respect of certain investors who are, or are entities that are controlled by one or more natural persons who are, residents of any of the jurisdictions that have also adopted the CRS, unless a relevant exemption applies. Where applicable, information to be disclosed includes certain information about investors, their ultimate beneficial owners and/or controllers, and their investment in and returns from the Company. The CRS is implemented through Guernsey's domestic legislation in accordance with guidance issued by the OECD as supplemented by guidance notes in Guernsey.

Under the CRS, disclosure of information will be made to the Director of the Revenue Service in Guernsey on an annual basis for transmission to the tax authorities in other participating jurisdictions.

## **United Kingdom**

**The following paragraphs, which are intended as a general guide only and do not constitute tax advice, are based on current United Kingdom tax legislation and what is understood to be the current practice of the United Kingdom HM Revenue and Customs as at the date of this Information Memorandum. They summarise certain limited aspects of the United Kingdom tax treatment of the Company and Shareholders and relate only to the position of Shareholders who are the absolute beneficial owners of their Shares, who hold their Shares as an investment (as opposed to securities to be realised in the course of a trade) and (except insofar as express reference is made to the treatment of non-United Kingdom residents or non-United Kingdom domiciliaries) who are resident and, if an individual, domiciled in, and only in, the United Kingdom for taxation purposes. They do not apply to certain classes of Shareholders, such as dealers in securities, insurance companies, collective investment schemes and Shareholders who have, or are deemed to have, acquired their Shares by reason of, or in connection with, an office or employment.**

**If you are in any doubt as to your taxation position or if you are subject to tax in any jurisdiction in addition to or other than the United Kingdom, you should consult an appropriate professional adviser immediately.**

### *Taxation of the Company*

The Directors intend that the affairs of the Company should be managed and conducted so that it does not become resident in the United Kingdom for United Kingdom taxation purposes. Accordingly, and provided that the Company is not trading in the United Kingdom through a fixed place of business or agent situated therein that constitutes a "permanent establishment" for United Kingdom taxation purposes and that any trading transactions in the United Kingdom are carried out through a broker or investment manager acting as an agent of independent status in the ordinary course of its business where certain other conditions are satisfied, the Company will not be subject to United Kingdom corporation tax or income tax on its profits. The Directors each intend that the respective affairs of the Company are conducted so that these requirements are met insofar as this is within their respective control. However, it cannot be guaranteed that the necessary conditions will at all times be satisfied.

Certain interest and other amounts received by the Company which have a United Kingdom source may be subject to withholding or other taxes in the United Kingdom.

## *Taxation of Shareholders*

Subject to their personal circumstances, Shareholders resident in the United Kingdom for taxation purposes will be liable to United Kingdom income tax or corporation tax in respect of dividends or other distributions of an income nature made by the Company, whether or not such dividends or distributions are reinvested, together with their share of income retained by a reporting fund (as to which see below). The nature of the charge to tax and any entitlement to a tax credit in respect of such dividends or distributions will depend on a number of factors which may include the composition of the relevant assets of the Company and the extent of a Shareholder's interest in the Company.

The United Kingdom Offshore Funds (Tax) Regulations 2009 (the "**Offshore Funds Regulations**") set out the regime for the taxation of investments in offshore funds (as defined in the United Kingdom Taxation (International and Other Provisions) Act 2010 ("**TIOPA 2010**")) which operates by reference to whether a fund opts into a reporting regime ("**reporting funds**") or not ("**non-reporting funds**"). If an investor who is resident in the United Kingdom for taxation purposes holds an interest in an offshore fund that does not have reporting fund status throughout the period during which the investor holds that interest, any gain accruing to the investor upon the sale, redemption or other disposal of that interest (including a deemed disposal on death) will be taxed at the time of such sale, redemption or other disposal as income ("**offshore income gains**") and not as a capital gain. Investors in reporting funds are subject to tax on the share of the reporting fund's income attributable to their holding in the fund, whether or not distributed, and any gains on disposal of their holding would be taxed as capital gains. Investors in non-reporting funds would not be subject to tax on income retained by the non-reporting fund. For prior periods, the "distributing fund" status of an offshore fund may be relevant to an investor's United Kingdom taxation position.

The Directors have been advised that both the Run-off Cell and the Continuing Cell should fall within the definition of an offshore fund for the purpose of UK taxation as defined in Part 8 of TIOPA 2010. The Directors intend to apply for the Run-off Cell and the Continuing Cell to each be approved as a reporting fund pursuant to the Offshore Funds Regulations.

Persons within the charge to United Kingdom corporation tax should note that the regime for the taxation of most corporate debt contained in the United Kingdom Corporation Tax Act 2009 (the "**loan relationships regime**") provides that, if at any time in an accounting period of such a person, that person holds an interest in an offshore fund within the meaning of the relevant provisions of the Offshore Funds Regulations and TIOPA 2010, and there is a time in that period when that fund fails to satisfy the "qualifying investments" test, the interest held by such a person will be treated for that accounting period as if it were rights under a creditor relationship for the purposes of the loan relationships regime. An offshore fund fails to satisfy the qualifying investments test at any time when more than 60 per cent. of its assets by market value (excluding cash awaiting investment) comprise "qualifying investments". Qualifying investments include government and corporate debt securities, cash on deposit, certain derivative contracts and holdings in other collective investment schemes which at any time in the accounting period of the person holding the interest in the offshore fund do not themselves satisfy the qualifying investments test. The Shares will constitute such interests in an offshore fund and hence, on the basis of the investment policies of the Company, the Company could fail to satisfy the qualifying investments test. In that eventuality, the Shares will be treated for corporation tax purposes as within the loan relationships regime with the result that all returns on the Shares in respect of such a person's accounting period (including gains, profits and losses) will be taxed or relieved as an income receipt or expense on a "fair value accounting" basis. Accordingly, such a person who acquires Shares in the Company may, depending on its own circumstances, incur a charge to corporation tax on an unrealised increase in the value of its holding of Shares (and, likewise, obtain relief against corporation tax for an unrealised reduction in the value of its holding of Shares).

### Anti-avoidance

Individuals resident in the United Kingdom for taxation purposes should note that Chapter 2 of Part 13 of the United Kingdom Income Tax Act 2007 contains anti-avoidance provisions dealing with the transfer of assets to overseas persons that may in certain circumstances render such individuals liable to taxation in respect of undistributed income profits of the Company.

Persons resident in the United Kingdom for taxation purposes should note the provisions of section 3 of the United Kingdom Taxation of Chargeable Gains Act 1992 ("**section 3**"). Section 3 could be material to any such person who has an interest in the Company as a "participator" for United Kingdom taxation purposes

(which term includes a Shareholder) at a time when any gain accrues to the Company (such as on a disposal of any of its investments) which constitutes a chargeable gain or an offshore income gain if, at the same time, the Company is itself controlled in such a manner and by a sufficiently small number of persons as to render the Company a body corporate that would, were it to have been resident in the United Kingdom for taxation purposes, be a "close" company for those purposes. The provisions of section 3 would result in any such person who is a Shareholder being treated for the purposes of United Kingdom taxation as if a part of any chargeable gain or offshore income gain accruing to the Company had accrued to that person directly, that part being equal to the proportion of the gain that corresponds to that person's proportionate interest in the Company. No liability under section 3 could be incurred by such a person, however, in respect of a chargeable gain or an offshore income gain accruing to the Company if the aggregate proportion of that gain that could be attributed under section 3 both to that person and to any persons connected with him for United Kingdom taxation purposes does not exceed one quarter of the gain. In addition, section 3 does not apply where the asset giving rise to the gain was neither disposed of nor acquired or held as part of a scheme or arrangements having a tax avoidance main purpose. In the case of Shareholders who are individuals domiciled outside the United Kingdom, section 3 applies subject to the remittance basis in particular circumstances.

Companies resident in the United Kingdom for taxation purposes should note the "controlled foreign companies" legislation contained in Part 9A of TIOPA 2010 (the "**CFC rules**"). The CFC rules could in particular be material to any company that has (either alone or together with persons connected or associated with it for United Kingdom taxation purposes) an interest in 25 per cent. or more of the "chargeable profits" of the Company if the Company is controlled (as "control" is defined in chapter 18 of part 9A of TIOPA 2010) by persons (whether companies, individuals or others) who are resident in the United Kingdom for taxation purposes or is controlled by two persons taken together, one of whom is resident in the United Kingdom for tax purposes and has at least 40 per cent. of the interests, rights and powers by which those persons control the company, and the other of whom has at least 40 per cent. and not more than 55 per cent. of such interests, rights and powers. The effect of the CFC rules could be to render such companies liable to United Kingdom corporation tax by reference to their proportionate interest in the chargeable profits of the Company. The chargeable profits of the company do not include any capital gains. Each cell in respect of which shares are issued by the Company may be treated as a separate non-UK resident company under the rules.

#### Other taxes

Transfers of Shares will not be liable to United Kingdom stamp duty unless the instrument of transfer is executed within the United Kingdom, in which case the transfer will be liable to United Kingdom *ad valorem* stamp duty at the rate of 0.5 per cent. of the consideration paid rounded up to the nearest £5. No United Kingdom stamp duty reserve tax is payable on transfers of Shares, or agreements to transfer Shares.

#### **General**

The receipt of dividends (if any) by Shareholders, the redemption, exchange or transfer of Shares and any distribution on a winding-up of the Company may result in a tax liability for the Shareholders according to the tax regime applicable in their various countries of residence, citizenship or domicile. Shareholders resident in or citizens of certain countries which have anti-offshore fund legislation may have a current liability to tax on the undistributed income and gains of the Company. The Directors, the Company and each of the Company's agents shall have no liability in respect of the individual tax affairs of Shareholders.

#### **United States**

The statements on taxation below are intended to be a summary of certain material US federal income tax consequences of the Company's indirect investment in life settlements, other than through Other Instruments (other than investments in EEA Holdings, the Master Subsidiary or Master Sub II), and are based on the law in force at the date of this Information Memorandum. As is the case with any investment, there can be no guarantee that the tax consequences anticipated at the time an investment is made actually will be achieved. No rulings from the IRS have been or will be sought with respect to the matters discussed below.

The following discussion is a general summary of certain US federal income tax consequences that may result in connection with the transactions contemplated herein, other than with respect to investments

through Other Instruments (other than investments in EEA Holdings, the Master Subsidiary or Master Sub II), to the Company, EEA Holdings, the Master Subsidiary, the Master Sub II and Shareholders who are (i) individuals who are not residents of the United States for US Federal income tax purposes, US citizens, or former residents or citizens of the United States, (ii) entities that are treated as foreign corporations for US federal income tax purposes or (iii) estates or trusts that are not treated as a "United States person" within the meaning of section 7701(a)(30) of the US Internal Revenue Code of 1986, as amended (the "**Code**") . The taxation of an entity or arrangement treated as a partnership for US federal income tax purposes and its partners generally will depend on the status of the partner and the activities of the partnership. Partners and partnerships should consult their tax advisers as to the particular U.S. federal income tax consequences applicable to them. Furthermore, this discussion assumes that Shareholders do not hold interests in the Company in connection with a trade or business conducted by such Shareholders in the United States and are not deemed for US federal income tax purposes to own indirectly (e.g., through attribution from other individuals or entities) 10 per cent. or more of the stock in EEA Inc. The discussion does not purport to deal with all of the US federal income tax consequences applicable to the Company, EEA Holdings, the Master Subsidiary, the Master Sub II or to Shareholders or address US state and local taxation of EEA Inc., or to Shareholders subject to special treatment under the U.S. federal income tax laws.

The discussion is based upon the Code and upon judicial decisions, US Treasury regulations, IRS rulings and other administrative materials interpreting the Code, all of which are subject to change that may or may not be retroactive. On December 22, 2017, the tax legislation commonly referred to as the Tax Cuts and Jobs Act was signed into law, generally applying in taxable years beginning after December 31, 2017. The Tax Cuts and Jobs Act made significant changes to the US federal income tax rules for taxation of individuals and corporations, some of which are only temporary, with certain further changes made in the Coronavirus Aid, Relief, and Economic Security Act signed into law on March 27, 2020. While the Tax Cuts and Jobs Act did not change the rules for taxation of non-US persons on US-source interest and dividends, it did make various changes that will affect the taxation of EEA Inc and the amount of after-tax cash flow EEA Inc has available for distribution.

#### *Taxation of EEA Inc*

EEA Inc is treated as a US corporation for US federal income tax purposes and generally is subject to US federal income tax (plus any applicable state and local taxes) on the income from the maturity of its life insurance policies (and any other income) on a net basis.

Under the Tax Cuts and Jobs Act, the federal corporate income tax rate is 21% for taxable years beginning after December 31, 2017. Other changes may affect EEA Inc's calculation of its taxable income in taxable years beginning after December 31, 2017. For example, EEA Inc's deduction of interest paid on loans from Master Sub II depends not only on the loans being respected as debt for US federal income tax purposes but cannot exceed 30% (50% for taxable years beginning in 2019 or 2020) of the sum of its interest income and its "adjusted taxable income" unless EEA Inc's gross receipts do not exceed \$25 million per year during the applicable testing period. The Tax Cuts and Jobs Act contains additional provisions that may restrict interest deductions, including rules that apply to certain "base erosion" payments (although such rules apply only to corporations with average gross receipts of at least \$500 million) and rules applicable to certain interest payments to "hybrid" entities. Moreover, if the US Internal Revenue Service successfully reclassified any of the notes issued by EEA Inc as equity, "interest" payments thereon would not be deductible as interest and would be treated as dividends that are subject to US withholding tax and are not subject to the portfolio interest exemption that applies to certain payments of interest. The Tax Cuts and Jobs Act also contains several provisions relating to sales of life insurance contracts, including new reporting requirements for reportable sales of a life insurance contract or payment of reportable death benefits, changes to the rules for determining an owner's tax basis in a life insurance contract and modification of the rules for determining income in certain sales of life insurance contracts. In 2019, Treasury Regulations were issued providing guidance on the application of these provisions, generally applying to reportable policy sales made after December 18, 2018.

#### **Taxation of the Master Sub II**

For US federal income tax purposes, the Master Sub II is treated as a branch of, or a disregarded entity owned by, EEA Holdings, and the following discussion therefore treats all items of income, gain, loss, and deduction of the Master Sub II as those of EEA Holdings.

#### *Taxation of EEA Holdings*

For US federal income tax purposes, EEA Holdings is treated as a branch of, or a disregarded entity owned by, the Company (or as a partnership the partners in which are the Cells), and the following discussion therefore treats all items of income, gain, loss, and deduction of EEA Holdings (including all items of income, gain, loss, and deduction of Master Sub II) as those of the Company.

#### *Taxation of the Master Subsidiary*

For US federal income tax purposes, the Master Subsidiary is treated as a non-US corporation. Because the Master Subsidiary has ceased active operations, US federal income tax liability can arise only in respect of its activities prior to the restructuring, and only if the Master Subsidiary had been engaged in a trade or business in the United States. The Master Subsidiary has taken the position that it was never so engaged, and, therefore, that none of its income was "effectively connected" with a US trade or business carried on by the Master Subsidiary. However, this issue is subject to some uncertainty, and the IRS may contend that such income was effectively connected income. If the IRS prevailed on this point, the Master Subsidiary's effectively connected income would be subject to US federal income tax at the rates applicable to US domestic corporations, and the Master Subsidiary would also be subject to a 30 per cent. branch profits tax on its "effectively connected earnings and profits".

If the income of the Master Subsidiary that was derived from the maturity of life insurance policies was not effectively connected, the IRS would take the position that it generally would be subject to US tax of 30 per cent. For the purposes of this tax, income with respect to each policy is equal to the amount received from the insurance company that issued such policy, reduced by the sum of (i) the amount paid by the Master Subsidiary to acquire such policy and (ii) any premiums paid to keep such policy in force.

#### *Taxation of the Company and the Shareholders*

The Company may receive (or be treated as receiving for US federal income tax purposes) interest on notes issued by EEA Inc., dividends distributed by EEA Inc, payments of principal on notes issued by EEA Inc, and distributions with respect to the stock of EEA Inc. that are not considered dividends for US federal income tax purposes. The Company has elected to be classified as a partnership for US federal income tax purposes and believes that it operates in a manner that will not cause it to be treated as a publicly traded partnership that is taxable as a corporation for US federal income tax purposes. Because the Company is treated as a partnership for US federal income tax purposes, the Company generally will not be subject to US federal income tax and Shareholders will be treated as receiving their allocable shares of the Company's income for US federal income tax purposes.

Interest paid by a US corporation to a non-US partnership with all non-US partners, such as the Company, is generally subject to US withholding tax at a rate of 30 per cent. Under the so-called "portfolio interest" exception, however, no US tax will be imposed or withheld on the receipt of interest (other than contingent interest) on notes issued by EEA Inc in registered form to the extent the Company provides to EEA Inc. a completed IRS Form W-8IMY as a "nonwithholding foreign partnership" and attaches thereto a properly completed IRS Forms W-8 for each Shareholder (IRS Form W-8BEN in the case of an individual, IRS Form W-8BEN-E in the case of an entity treated as a corporation for US federal tax purposes or certain other types of entities, and IRS Form W-8IMY in the case of an entity treated as a partnership or a trust for federal tax purposes) and certain other required documentation, except for interest allocable to a Shareholder who is deemed for US federal income tax purposes to own indirectly (e.g., through attribution from other individuals or entities) 10 per cent. or more of the stock in EEA Inc. If a Shareholder does not provide a properly completed IRS Form W-8, then that Shareholder's pro rata share of the interest paid by EEA Inc. will be subject to US withholding tax at a rate of 30 per cent., and the Company will consider compulsorily redeeming a portion of such Shareholder's Shares and use the proceeds of such redemption to pay such tax. In the absence of such withholding, the IRS would have the legal right to collect US withholding tax directly from the relevant Shareholder. All Shareholders are urged to promptly supply an appropriate IRS Form W-8 when they purchase Shares, and to supply a new IRS Form W-8 when the existing IRS Form W-8 expires or the information contained therein becomes incorrect.

If EEA Inc pays a distribution with respect to its shares (other than a distribution in complete liquidation), such distribution will be treated first as a dividend to the extent of the earnings and profits of EEA Inc, then as a return of capital to the extent of the Company's "adjusted basis" in its shares of EEA Inc, and then as a capital gain. Dividends paid by a US corporation to a non-US partnership with all non-US partners, such as the Company, are generally subject to US withholding tax at a rate of 30 per cent., unless a Shareholder would be entitled to claim a lower rate pursuant to an applicable income tax treaty with respect

to such Shareholder's allocable share of such dividends and the Company provides a completed IRS Form W-8IMY as a "nonwithholding foreign partnership" and attaches thereto properly completed IRS Forms W-8 for each partner and certain other required documentation.

Under the Foreign Account Tax Compliance Act ("**FATCA**"), the implementation of which started in 2014, payments of US-source interest and dividends to "foreign financial institutions" (including investment funds) are subject to a 30 per cent. withholding tax unless such institution enters into an agreement with the Secretary of the Treasury (unless alternative procedures apply pursuant to an applicable intergovernmental agreement between the United States and the relevant non-US government) to report, on an annual basis, information with respect to shares in, and accounts maintained by, the institution to the extent such shares or accounts are held by certain U.S. persons or by certain non-U.S. entities that are wholly or partially owned by U.S. persons. While withholding under FATCA would also have applied to payments of gross proceeds from the disposition of US stocks and debt instruments after December 31, 2018, proposed Treasury Regulations eliminate FATCA withholding on gross proceeds payments. The proposed Treasury Regulations provide that taxpayers generally may rely on these proposed Treasury Regulations until final Treasury Regulations are issued. Notes issued by EEA Inc prior to 1 July 2014 will be grandfathered, so that there will be no FATCA withholding with respect to interest payments on such notes (assuming that the notes are respected as debt instruments for US federal income tax purposes and are not materially modified).

The Company is a foreign financial institution ("**FFI**") for purposes of the FATCA rules. On 13 December 2013, the United States and Guernsey entered into an intergovernmental agreement ("**IGA**") with respect to FATCA. Under such Agreement, the Company will not have to enter into an agreement with the US Secretary of the Treasury to provide certain information regarding the Shareholders to avoid the 30 per cent. FATCA withholding with respect to dividends and interest (on non-grandfathered US debt instruments). Instead, the Company will be required to implement certain diligence materials and periodically report information regarding its Shareholders to the Director of the Revenue Service in Guernsey or his delegate, and Guernsey has agreed to provide information regarding "U.S. Reportable Accounts" to the US tax authorities. The Company has registered as an FFI under the IGA between the United States and Guernsey. To the extent that the Company satisfies its FATCA obligations, payments to the Company will not be subject to withholding. In the case of a Shareholder that is a corporation, such Shareholder will be subject to FATCA withholding unless in its Form W-8BEN-E it either certifies that it is not a "passive non-financial foreign entity" or includes the address and taxpayer identification number of each, if any, of its "substantial US owners."

Shareholders will be required to provide certain information to the Company to enable the Company to satisfy its reporting obligations. The Company may compulsorily redeem some or all of the Shares held by Shareholders that refuse to provide any requested information. Shareholders are encouraged to consult with their tax advisers regarding the possible implications of the FATCA rules on their investment.

If EEA Holdings were characterised as a partnership, rather than as a disregarded entity, for US federal income tax purposes, ordinary withholding and FATCA withholding issues would have to be addressed at the level of EEA Holdings.

## **DEALING PROCESS**

### **Subscriptions**

Continuing Shares are not available for subscription, unless and until the Directors in their absolute discretion determine otherwise.

Run-Off Shares are not available for subscription.

### **Money laundering declarations**

The Criminal Justice (Proceeds of Crime) (Financial Services Businesses) (Bailiwick of Guernsey) Regulations, 2007 require the Company, the Services Provider and the Administrator to establish the identity of the principal by whom or on whose behalf an application form is lodged with payment or of a prospective transferee of Shares. The applicant or agent lodging an application form or transferee (as the case may be) shall be deemed to agree to provide the Services Provider and/or the Administrator with such information and other evidence as the Services Provider and/or the Administrator may require to satisfy the verification of identity requirements. Shares will not be allotted to the applicant or transferred to the transferee until the

verification of identity requirements have been complied with to the satisfaction of the Services Provider and/or the Administrator. The documentation required to comply with such requirements will vary depending on the type of applicant or transferee, the nature of the relationship between the Company and the applicant or transferee, and whether the applicant or transferee, is in a jurisdiction as set out in Appendix C to the Handbook on Countering Financial Crime and Terrorist Financing.

### **US Federal Income Tax Forms**

The Company indirectly holds promissory notes issued by EEA Inc. As described above, the interest paid on those notes is subject to US withholding tax at a rate of 30 per cent. except to the extent such interest is attributable to a Shareholder that has furnished a properly completed IRS Form W-8 with respect to his Shares to the Company and the Company has provided a complete IRS Form W-8IMY to EEA Inc. Each Shareholder is therefore required to furnish such a form upon the acquisition of Shares, and to provide a new form when the form previously provided expires or when the relevant information required to be shown on the form changes so as to make the old form no longer accurate.

In addition, the Company may request information from Shareholders required to enable the Company to satisfy its obligations under a FATCA agreement as described above and avoid US withholding on certain payments to the Company. The Company may compulsorily redeem the Shares of Shareholders that refuse to provide any requested information.

### **Redemptions**

Shares in the Continuing Cell may be redeemed in the circumstances set out in the relevant Supplement. Shares in the Run-Off Cell are not redeemable at the option of the Shareholder and may only be redeemed at the absolute discretion of the Directors.

Shareholders may redeem all or part of their holding by submitting a redemption request in writing to the Administrator prior to the relevant Redemption Day. The specific redemption procedure for each Cell is described in the Supplements. The redeemed amount will be calculated by reference to the Redemption Value as at the relevant Redemption Day following the receipt of the request to redeem Shares.

The minimum redemption is Shares having a value of not less than an amount set out in the relevant Supplement of each Cell. If the Shareholder's remaining investment in a Cell is less than the minimum holding specified in the relevant Supplement for the Cell, the Company may at its discretion, redeem the entire holding. Redeeming Shareholders will receive a contract note setting out the details of their redemption within 15 Business Days of the relevant Redemption Day.

### **Redemption Charge / Anti-Dilution Levy**

The Company may levy a charge on redemption and such charge may vary by Cell. Details of the Redemption Charge applicable in each Cell are set out in the relevant Supplement.

In addition, the Company may also charge an Anti-Dilution Levy on redemptions of Continuing Shares in the circumstances set out in the relevant Supplement.

In each case, the Anti-Dilution Levy will be retained by the Company and will not be for the benefit of the Services Provider.

Shareholders may also indirectly bear an anti-dilution levy or other adjustment made to the redemption price of Other Instruments, as described in the relevant Supplement.

### **Compulsory redemption**

The Directors have the power to compulsorily redeem the Shares of any investor if such Shares are being held by a person:

- (i) in contravention of any law or requirement of any country or regulatory authority by virtue of which such person is not qualified to;

- (ii) who is ineligible to hold or be interested in such Shares (as set out in the Articles or this Information Memorandum);
- (iii) whose holding of such Shares may, in the opinion of the Directors or the Services Provider, cause legal, regulatory, fiscal, tax, pecuniary or material administrative disadvantage to the Company or its Shareholders;
- (iv) who fails to complete or fails to adequately complete United States taxation forms or to provide information to enable the Company to satisfy its obligations under a FATCA agreement following notification on behalf of the Company that such taxation forms are required to be completed or that such information be provided within such time period specified in the notification;
- (v) who holds equal to or more than ten per cent. of the total number of issued Shares of the Company; or
- (vi) who is a minor.

The Articles provide for the compulsory redemption of Shares in a Cell, if at any time after the first anniversary date of the date of the first issue of Shares of a Cell the Net Asset Value of that Cell on each Redemption Day falls below US\$2 million or equivalent and the Directors so elect.

Continuing Shares may be compulsorily redeemed at any time that the corresponding investments in any Other Instruments are compulsorily redeemed.

### **Postponement of redemption**

The Directors may postpone the redemption of Continuing Shares in the circumstances set out in the relevant Supplements.

### **Redemption proceeds payment**

The redemption proceeds net of any applicable Redemption Charges and/or Anti-Dilution Levy will normally be paid to the Shareholders in the Cell's base currency within the period following the relevant Redemption Day as set out in the Supplement or as soon as the proceeds are received by the Cell from the sale of any underlying investments made to meet the redemption, subject to the surrender of the share certificate, if any, and the receipt of the original redemption request by the Administrator. Shareholders may make a partial redemption of their shareholding subject to the minimum holding indicated in the Supplement.

Payment will be rounded down to the nearest currency unit of the base currency of the relevant Cell and made in accordance with the instructions accompanying the Application Form or amended instructions acceptable to the Services Provider. The relevant Cell will retain the benefit of any such rounding.

### **Client Money Accounts**

Redemption proceeds are paid to redeeming Shareholders via client money accounts held in the name of the Services Provider or the Administrator ("**Client Accounts**") following the calculation of the Net Asset Value and the amount payable in respect of each redemption. Control of Client Accounts is maintained in accordance with Rule 9 of The Licensees (Conduct of Business) Rules and Guidance, 2021. Interest earned on funds held in Client Accounts is for the account of the Services Provider.

## **VALUATION**

### **Net Asset Value**

The Administrator ascertains the Net Asset Value of each Cell at the Valuation Point. The Net Asset Value of each Cell is determined on the basis of the Investment Value of the Investment Assets plus the value of the Cash Instruments and other assets of the Cell, including, where applicable, unamortised initial setup and restructuring costs, unamortised acquisition fees and deferred distribution fees, less all liabilities whether existing or contingent and including such provision for future liabilities as the Services Provider may determine. The Net Asset Value per Share of each Cell shall be determined by the Administrator by dividing

the Net Asset Value attributable to each Cell by the number of Shares issued in respect of each Cell at the Valuation Point.

The valuation methods specific to the Investment Assets of a Cell are set out in the relevant Supplement.

If, in any particular case, a value is not ascertainable or if the Company (as advised by the Services Provider) considers that some other method of valuation better reflects the fair value then the Company will have the discretion to choose such method of valuation as it sees fit.

### **Redemption Value**

The Redemption Value shall be the Net Asset Value per Share at the Valuation Point and rounded to the nearest relevant currency unit of the relevant Cell's base currency. The relevant Cell shall retain the benefit of any such rounding. Redemptions of Shares may be subject to Redemption Charges and/or an Anti-Dilution Levy as detailed herein and in the Supplements.

### **Life Insurance Policies**

The life policies which form the Investment Assets of EEA Inc shall be valued at the estimated market value of the policies by Maple Life, in its capacity as Independent Valuation Agent to the Fund. The estimated market value of the policies is calculated as the net present value of the future death benefits less the net present value of the premiums to be paid. Each of these net present value components is based upon the life expectancy estimate provided by one or more independent underwriters and a discount rate developed from recent market transactions by Maple Life. This process does not consider expenses or taxes, as the discount rate developed from recent market transactions is also independent on such considerations.

The estimated remaining life of the life policy is currently calculated by Maple Life by 1) calculating a degree of mortality impairment needed to match the life expectancy estimate at the date provided, then 2) reducing the degree of impairment for especially high multipliers for conservatism and then 3) applying this level of mortality impairment to the insured's current age. This process is intended to recognise aging of the insured, while assuming that the insured's relative degree of impairment is unchanged. This aims to simulate the most likely effects of continuous re-underwriting of the entire portfolio every month. Such valuation will be carried out quarterly for the determination of the Net Asset Value of EEA Inc.

### **Other Instruments**

It is anticipated that life policies to which Other Instruments have exposure will be valued using a valuation methodology similar to that described under "Life Insurance Policies" above.

### **AVAILABILITY OF VALUATIONS**

The Net Asset Value per Share of each Cell will be published on Bloomberg or similar media. The valuations are updated quarterly as soon as practicable after calculation by the Administrator. The valuations of the Cells will also be available on request from the Administrator and the Services Provider.

### **DISTRIBUTION POLICY**

The distribution policy will be specific to each particular Cell set out in the relevant Supplement.

### **ACCOUNTING DATE**

The accounting date of the Company is 31 December in each year or such other date as the Directors shall determine from time to time having given due notice to all holders. The financial statements of the Company will be prepared in accordance with International Financial Reporting Standards and in the case of the Company will be prepared in US\$, and for each Cell in its base currency respectively. Annual reports will be published and sent to Shareholders and/or published on a website as advised to Shareholders within a period of 6 months following the relevant accounting date.

## **FEES AND EXPENSES**

### **Management fee**

A services fee payable to the Services Provider by each Cell is accrued and payable monthly in arrears. The applicable fee in each Cell is set out in the relevant Supplement.

Shareholders shall be given not less than 14 days' notice prior to any proposed increase in the fees payable to the Services Provider.

### **Investment advisory fee**

The Investment Adviser charges EEA Inc. a fixed monthly advisory fee of USD1,000 per month per Active Policy by EEA Inc. to the Investment Adviser monthly in arrears (the "**Investment Advisory Fee**"), such fee arrangements being effective as from 1 January 2022.

For the avoidance of doubt, the Investment Adviser shall not be entitled to (i) any performance fee or (ii) to be reimbursed for any out of pocket expenses.

Shareholders shall be given not less than 14 days' notice prior to any proposed increase in the fees payable to the Investment Adviser.

### **Custodian fee**

The Custodian levies an annual charge of £25,000 per Cell, payable quarterly in arrears.

Additional banking and other miscellaneous charges may also be levied depending on the service provided by the Custodian.

### **Sub-Custodian fee**

The Sub-Custodian charges the Fund a fixed annual fee of US\$75,000 payable monthly in arrears.

### **Servicing Agent fee**

The Servicing Agent charges the Fund a one-time review fee of US\$570 per policy and an annual standing charge of US\$5,000 payable monthly, subject to a minimum monthly fee of US\$2,000.

### **Premium Payment Agent fee**

The Premium Payment Agent charges the Fund a monthly fee equal to US\$35 per premium disbursement, subject to a maximum monthly fee of US\$5,000.

### **Administrator, Secretary and Registrar fee**

The Administrator charges an administrative fee at the rate of 0.1 per cent. per annum of the aggregate Net Asset Value of the Company up to US\$250 million and 0.075 per cent. per annum of such aggregate Net Asset Value thereafter, subject to a minimum of £10,000 per Cell per annum and an overall minimum fee of £280,000 per annum.

The Administrator is also paid a fee of £10,000 per annum for up to four board meetings a year.

The Administrator is paid an administration fee of £4,000 per annum in relation to each of Master Subsidiary, Master Sub II, EEA Holdings and EEA Inc subject to a time cost override at the Administrator's normal commercial rates.

Unless otherwise agreed in writing between the Administrator, the Company and the Custodian, the Administrator (as Registrar) charges a fixed fee of US\$100,000 per annum along with a stock transfer fee, as follows, which shall be payable by the Company:

- processing of high risk stock transfers (as determined by the Administrator) – US\$920 per transfer
- processing of complex stock transfers (as determined by the Administrator) – US\$615 per transfer; and
- processing of simple stock transfers (as determined by the Administrator) – US\$125 per transfer

The above fee shall be capped at a maximum of US\$75,000 per annum.

### **Directors' Fees**

In accordance with the Articles, the Directors are entitled to receive remuneration not exceeding US\$100,000 in aggregate in a financial year and reimbursement of any out of pocket expenses in discharging their duties. In addition, a Director who performs a special service on behalf of the Company may receive such sum as the Directors may think fit for expenses and be paid such additional remuneration as the Directors may determine.

During the financial year ended 31 December 2022, being the most recent date at which audited financial statements have been published, the aggregated Directors' fees amounted to £57,000. Currently, the Directors are entitled to receive fees totalling £57,000 per annum. A further £90,000 per annum is payable to members of the audit committee.

As at the date of this Information Memorandum, the Directors are not entitled to receive any benefits in kind from the Company.

### **Other Instruments and other investments fees and expenses**

In the event that the Continuing Cell invests in Other Instruments, the Continuing Cell will bear the fees charges and expenses in connection with its investment in Other Instruments. Furthermore, holders of such Continuing Shares will not suffer, directly or indirectly, any preliminary charge payable on the issue of, or any charge payable on the redemption of, any Other Instruments or other investment in a vehicle managed, operated and/or controlled by the Services Provider or a member of the Services Provider's group.

### **Other fees and expenses**

The Services Provider, the Custodian, the Sub-Custodian, the Premium Payment Agent and the Registrar are entitled to be reimbursed their out of pocket expenses properly incurred in the performance of their respective duties (and the Services Provider is entitled to be reimbursed for the out of pocket expenses of the Administrator incurred in the performance of its duties which the Services Provider is obliged to pay). The Fund shall bear all other expenses including costs and expenses of legal advisers, auditors, brokers, registration, publication and distribution of reports, accounts and similar documents. For the purposes of the statutory financial reporting, such initial setup costs were written off as incurred. Other initial costs for each Cell are set out in the Supplements.

Most general expenses of the Fund, including all fees and expenses incurred or payable in connection with the services provided by the Directors, the Auditors and all legal, consultancy and marketing expenses, will be paid by EEA Inc or the Master Sub II. Costs specific to a Cell are paid by the relevant Cell. To the extent that costs of the Cells cannot be easily attributed to a Cell they will be apportioned pro rata to all the Cells on the basis of their relative Net Asset Value or in such manner as the Directors deem fair and reasonable or paid by the relevant Fund entity.

## **RISK WARNINGS**

**IMPORTANT NOTE:** Investments in the Cells should be considered as medium to long term investments. Run-Off Shares are not redeemable at the option of the Shareholder and may only be redeemed at the option of the Company.

### **Investment risk**

It should be remembered that the Net Asset Value per Share and the income (if any) from the Shares can go down as well as up and that, on the redemption of their Shares, investors may not receive the amount that they originally invested.

The return on the investments is dependent in large part upon the ability and expertise of the Investment Adviser to source and price the investments. The Valuation of a settlement (and the return made on each investment) is dependent upon the life expectancy of the insured and premiums payable to maintain the policy. An investment in a policy may result in a loss if the medical diagnosis of the insured's condition is incorrect, the insured lives longer than the life expectancy estimate and, as a result, a higher premium has to be paid for the remainder of the term.

### **Forward-looking statements as to cashflows and distributions/redemptions**

This Information Memorandum includes statements that are, or may be deemed to be, "forward-looking statements". These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "predict", "believe", "estimate", "anticipate", "expect", "intend", "may", "will" or "should" or other variations or comparable terminology.

Forward-looking statements include matters that are not historical facts. They include statements regarding the beliefs or current expectations of the Company, the Directors, the Services Provider and the Investment Adviser concerning, amongst other things, the estimated maturity of the underlying investments of the Company, estimated future cashflows and the ability of the Company to make distributions by way of redemption of Shares.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future events. The actual maturity of the Company's underlying investments, its actual future cashflows and the ability of the Company to make distributions may differ materially from the impression created by the forward-looking statements contained in this document.

Forward-looking statements are based on assumptions regarding the present and future environment in which the Company will operate. All forward-looking statements included in this Information Memorandum are based on information available to the Company, the Directors, the Services Provider and the Investment Adviser at the date hereof. Investors should not place undue reliance on such forward-looking statements.

### **Changes in taxation**

Any change in the Fund's tax status, or in taxation legislation or practice in either Guernsey or any jurisdiction in or through which the Fund invests, could affect the value of the investments held by the Fund or the Fund's ability to achieve its investment objectives or alter the after-tax returns to Shareholders. Statements in this Information Memorandum concerning the taxation of Shareholders are based upon current Guernsey, United Kingdom and United States tax law and published practice, which law and practice is, in principle, subject to change (potentially with retrospective effect) that could adversely affect the ability of the Fund to meet its investment objectives and which could adversely affect the taxation of Shareholders.

### **Risk of regulatory re-classification**

The Company is currently authorised by the GFSC as a class B open-ended scheme pursuant to the POI Law. Shareholders have no right to redeem Run-Off Shares at any time. Furthermore, redemptions of Continuing Shares may be deferred and/or suspended, as further described in this Information Memorandum. Thus, a Shareholder's ability to redeem Continuing Shares may be materially restricted. Accordingly, the Company may be regulated or required to be regulated as a closed-ended scheme instead.

This would require the Company to apply to the GFSC for the necessary authorisations and registrations as well as changes to be made to this Information Memorandum, the Articles and other scheme documentation.

### **Regulatory risks of alternative investment funds**

The regulatory environment for alternative investment funds is evolving and changes therein may adversely affect the value of investments in which the Fund and the Cells invest, directly or indirectly, to obtain the leverage it might otherwise obtain or to continue to implement their respective investment policies and achieve their respective investment objectives. In addition, securities and futures markets are subject to comprehensive statutes, regulations and margin requirements. Regulators and self-regulatory organisations and exchanges are authorised to take extraordinary actions in the event of market emergencies. In addition, the regulatory or tax environment for derivative and related instruments and funds that engage in such transactions is evolving and may be subject to modification by government or judicial action which may adversely affect the value of the investments in which the Fund and the Cells invest, directly or indirectly. The effect of any future regulatory or tax change on the Fund and/or the Cells is impossible to predict.

Market disruptions and the dramatic increase in the capital allocated to alternative investment strategies during the past 10 – 20 years has led to increased governmental as well as self-regulatory scrutiny of the "hedge fund" and financial services industry in general. Certain legislation proposing greater regulation of the industry is considered periodically by the US Congress, as well as by the governments of non-US jurisdictions. It is impossible to predict what, if any, changes in the regulations applicable to the Fund, the Cells, the Services Provider, the markets in which they trade and invest or the counterparties with which they does business may be instituted in the future. Any such laws or regulations may materially adversely affect the Fund's and the Cells' ability to continue to implement their respective investment policies and achieve their respective investment objectives, as well as require increased transparency as to the identity of the Shareholders.

In addition, securities and futures markets are subject to comprehensive statutes, regulations and margin requirements. Regulators, self-regulatory organisations and exchanges are authorised to take extraordinary actions in the event of market emergencies including, for example, the retroactive implementation of speculative position limits or higher margin requirements, the establishment of daily price limits and the suspension of trading. The regulation of derivative transactions and funds that engage in such transactions is an evolving area of law and is subject to modification by governmental, regulatory and judicial actions. The effect of any future regulatory change on the Fund and/or the Cells could be substantial and adverse including, for example, increased compliance costs, terms relating to margin, increased disclosure requirements, the prohibition of certain types of trading and/or the inhibition of the Fund's and/or the Cells' ability to continue to implement their respective investment policies and achieve their respective investment objectives.

### **Availability risk**

The continuity of operation of the Continuing Cell is dependent on the Fund's ability to subscribe for Other Instruments.

### **Leverage risk**

Where the Continuing Cell uses Leverage to increase potential investment returns a significant risk exists should the cost of borrowing exceed the rate of return of the Investment Assets. The Continuing Cell's exposure to capital risks is increased by the degree of Leverage employed. Furthermore, where the Continuing Cell uses Leverage, a change in the availability of Leverage may adversely affect the execution of the Continuing Cell's investment strategy leading to the potential failure of the Continuing Cell to meet its investment objective.

### **Custody risk**

If the Continuing Cell borrows, it may be required to provide security. Where security is required, assets will be deposited with the lender and will cease to be within the Custodian's exclusive control. Accordingly, the Continuing Cell may be exposed to acts, omissions or insolvency risk of the lender. If pledging of security is required, reliable financial institutions will be sourced with good credit ratings to minimise such risk.

### **Business risk**

The past performance of the Fund can be no guarantee that the investment objectives of the Company will be achieved.

### **Hedging risk**

The use of Hedging Instruments involves certain special risks including dependence on the relevant Cells' ability to predict movements in interest rates, the price of Investment Assets and Cash Instruments being hedged, imperfect correlation between the Hedging Instruments and the Investment Assets, Cash Instruments and interest rates being hedged, and the fact that the skills needed to use Hedging Instruments are different from those needed to select the relevant Cells' Investment Assets, Cash Instruments and Leverage. Whilst such techniques can improve the return on invested capital, their use may also increase the costs and the risk of losses to the Company and the relevant Cells.

### **Redemption Charges/Anti-Dilution Levy risk**

Shares may be subject to Redemption Charges and/or an Anti-Dilution Levy. Such charges will decrease the redemption proceeds payable on a redemption of Shares.

### **Currency fluctuation risk**

#### *Absence of hedging*

The Current Underlying Investments of a Cell are, and the maturity/realisation proceeds thereof will be, denominated in US Dollars. In the case of the Continuing Cell, such proceeds will be invested in New Underlying Investments which in turn will be US Dollar-denominated investments.

The Fund shall not be under any obligation, and does not currently intend, to hedge the non-US Dollar currency exposure of the Shares. Without prejudice to the foregoing, the Directors may determine to hedge such exposure in respect of one or more Cells where they, in consultation with the Services Provider, believe in their absolute discretion that it would be possible to enter into appropriate hedging arrangements on commercially reasonable terms. Accordingly, holders of Shares will be affected by fluctuations in the rate of exchange between the currency in which their Shares are denominated (being GBP) and the US Dollar.

#### *Cell Risks*

The Company is registered as a protected cell company under the Companies Law. A protected cell company is a single legal entity consisting of a core and one or more separate and distinct, but not separately incorporated, cells, which may be created for the purpose of segregating and protecting cellular and core assets in the manner provided in the Companies Law. The directors of a protected cell company are obliged to keep cellular assets separate and separately identifiable from the core and the assets attributable to other cells. Subject to compliance, and in accordance, with the Companies Law, the assets and liabilities of any cell are legally segregated and protected from those of the other cells, and the assets and liabilities of the core are legally segregated and protected from those of the cells. In such circumstances, where a liability arises which is attributable to a cell, the core assets and the assets attributable to any other cell are protected in accordance with the Companies Law.

However, the concept of a protected cell company has been subject to limited judicial scrutiny. Where the assets of a cell of a protected cell company are held outside Guernsey, and an action is brought against that cell (or indeed the protected cell company) in the jurisdiction in which the assets are located, it is not known to what extent the foreign court will assume jurisdiction, or give primacy to the provisions of the Companies Law applicable to protected cell companies. Accordingly, there is a risk that the segregation of assets and liabilities between the Cells or between the core and the Cells may not be recognised or upheld by courts in jurisdictions outside Guernsey. This could result in the assets of a Cell being applied in connection with the liabilities of another Cell, which could impact upon the value of the assets of the first cell.

Furthermore, the Companies Law, in certain limited circumstances, provides that protected assets of a cell or the core may be applied other than in satisfaction of liabilities attributed to that cell or the core. This could result in the assets of a Cell being applied in connection with the liability of another Cell, or being the subject of an arrangement entered into with another Cell or the core, which in each case could impact upon the value of the assets of the first Cell.

### *Concentration Risk*

The Fund currently invests all of its assets in EEA Holdings and accordingly is not diversified.

The distributions from the maturity/realisation of Current Underlying Investments are paid out of the distributions from EEA Holdings, which in turn are derived from distributions from Master Sub II, which in turn are derived from distributions or repayment of loans notes from EEA Inc. Such distributions or repayments could be paid out of the unrealised profits of EEA Inc. The unrealised profits, which are not determined on a marked to market basis, may not be crystallised in the event of early realisation or delayed maturity of the underlying investment in life policies. As a result, the total performance of EEA Inc and thus the Cells, EEA Holdings and Master Sub II may be adversely affected.

### *Run-Off Shares*

As Current Underlying Investments are realised, the number of such assets will reduce and the exposure of the remaining Run-Off Shares in the Run-Off Cell to the remaining assets, and the risks described above, will increase accordingly.

### *Valuation overstatement or understatement risk*

The valuation of the policies is based on the projected cashflows which depend upon the unknown length of time for which the insured will live. If the Investment Adviser or any independent life expectancy provider underestimates how long an insured may live, the amount paid for a life policy may be more than the policy is worth either on a discounted or a present value basis and be required to pay out more premiums than anticipated. Either of these circumstances could have a significant adverse effect on the returns on the investments.

Inaccurate forecasting of an insured's life expectancy could result from, among other things: advances in medical treatment resulting in deaths occurring later than forecast; inaccurate diagnosis or prognosis; changes to life style habits or the individual's ability to fight disease resulting in improved health; fraud or misrepresentation by the insured; the underlying insured going missing.

Although an independent specialist's estimate is used, such a valuation will ultimately be a matter of informed judgement, there is no guarantee the Net Asset Value will not be overstated or understated and the Directors, the Services Provider and the Administrator cannot accept responsibility for consequent incorrect valuations.

### *Insured fraud risk*

Although the Investment Adviser conducted certain diligence in advance of investing in a policy, there is a risk that EEA Inc will be defrauded. Among other types of fraud that may exist, an insured may misrepresent the status of his illness, may fail to disclose all beneficiaries or may sell a policy to more than one purchaser. If EEA Inc is subject to such fraud, returns on the investments may be adversely affected.

### *Liquidity risk*

EEA Inc is invested in a pool of life settlements. There is minimal or no return on such investments until maturity. Such an investment is essentially illiquid. Therefore, EEA Inc may not have access to liquid assets to make any payment to Shareholders, until the life insurance policies mature or unless it realises the assets through the secondary market. The secondary market of these settlements is not highly regulated or developed and there is no certainty the market will be active. Accordingly delays may occur in redemption payments. In order to increase EEA Inc's liquidity, the Services Provider may seek to match redemptions with subscriptions and source available credit facilities with the pledging of the life insurance policies.

### *Limited liquidity of Continuing Shares*

Requests to redeem Continuing Shares on a Redemption Day may be refused by the Directors as described in the relevant Supplement. There can be no guarantee that there will be sufficient Available Cash (as defined in the relevant Supplement(s)) to meet all such redemption requests. Shareholders may therefore be unable to redeem their Continuing Shares on the desired Redemption Day.

### *Missing Insureds*

There is a risk that an insured with whom EEA Inc has entered into a contract may go missing, or that there may be a delay in ascertaining that an insured has died or in obtaining required documentation needed to claim the insured's death benefit. EEA Inc could incur substantial unplanned expenses in locating missing insureds and could experience substantial delays in collecting death benefits. In some states, the regulator may limit the frequency of contacts that the Investment Adviser through its tracking firms may make to the insured or limit obtaining his or her medical records by the tracking firms.

### *Counterparty risk*

There is a counterparty risk in respect of the solvency of the insurance company during the period a policy is held to maturity. There is no guarantee that the insurance companies will meet their obligations to make payment on maturity. Counterparty risk is managed by limiting the exposure to any single insurance company obligor and by only buying policies written by insurers that meet its rating requirements. As Current Underlying Investments mature/are realised, however, counterparty risk may increase.

EEA Inc relies on the Investment Adviser to administer the policies in the books and to process claims. If, as a result of insolvency or liquidation or otherwise, the Investment Adviser were to cease servicing the life settlements, it may be difficult to find a suitable successor adviser. Any successor adviser may have less experience and be less capable in processing claims and managing collection systems. EEA Inc has, however, appointed the Servicing Agent who should be able to perform most of the tasks of the Investment Adviser.

### *US Federal and State Tax Risks*

The IRS could raise a number of issues regarding the US federal income taxation of the Fund which, unless successfully challenged in court, could substantially increase the amount of US federal income tax that the Fund would be required to pay. For example, the IRS could assert that (i) some or all of the interest expense paid by EEA Inc does not reduce the income of EEA Inc for US federal income tax purposes, (ii) the interest paid by EEA Inc is subject to US federal withholding tax in an amount greater than that reported by the Fund (in which case such tax would be imposed at a rate of 30 per cent), or (iii) the Master Subsidiary was previously engaged in trade or business in the United States and subject to US federal income tax (and a 30 per cent. branch profits tax) on its income that was effectively connected with such trade or business, e.g., gain recognised when it transferred the policies to Master Sub II. Failure of the Company to satisfy its FATCA-related diligence and reporting obligations or Guernsey to comply with its obligations under its FATCA intergovernmental agreement with the United States could cause certain payments from EEA Inc to be subject to withholding at a 30 per cent. rate under the FATCA rules described above. Other potential grounds for increased US federal income tax liability also exist.

For partnership tax returns for taxable years beginning after December 31, 2017, new rules apply for US federal income tax audits of entities such as the Company that are treated as partnerships for US federal income tax purposes. Such audits will continue to be conducted at the entity level, but unless such entity qualifies for and affirmatively elects an alternative procedure, any adjustments to the amount of tax due (including interest and penalties) will be payable by the entity itself. Under the alternative procedure, if elected, a partnership would issue information returns to persons who were partners in the audited year, who would then be required to take the adjustments into account in calculating their own tax liability (and be subject to a higher interest charge), and the partnership would not be liable for the adjustments. There can be no assurance that the Company will be eligible to make such an election or that it will, in fact, make such an election for any given adjustment.

Additionally, the State of New Jersey or other states could assert successfully that EEA Inc was engaged in business or otherwise connected to those states. If such contention were accepted, some or all of the income of EEA Inc could be subject to the income tax of one or more states.

### *Other Instruments*

The Continuing Cell may invest in Other Instruments. There will be risks associated with such Other Instruments similar to those associated with the Fund's Current Underlying Investments. Exposure to Other Instruments may also involve other risks.

**Investors should be aware of the following risks inherent in an investment in Other Instruments: (a) there is no assurance that any appreciation in the value of the portfolio will occur, or that the investment objectives of the Company will be achieved. Past performance is no guide to the future. The value of Other Instruments, and hence the Shares in the Continuing Cell, can go down as well as up, particularly in the short term, meaning that an investment may not be returned in full; (b) the tax treatment of Other Instruments may change and such changes cannot be foreseen; (c) if investments are made with the intention of achieving a specific capital sum in the future, this will normally be subject to maintaining a specified level of investment; and (d) the difference at any one time between subscription and redemption prices for Shares means that any investment should be viewed as medium to long term. An investment should only be made by those persons who are able to sustain a loss on their investment.**

**Where the Continuing Cell invests in Other Instruments, they are subject to the risk that the Net Asset Value per Share for the Continuing Cell will fluctuate in response to changes in economic conditions, interest rates and the market's perception of the Other Investments held by the Continuing Cell; accordingly, no assurance can be given that the investment objectives of the Company will be achieved.**

The foregoing list of risk factors does not purport to be a complete enumeration or explanation of the risks involved in an investment in the Company.

## CONFLICT OF INTERESTS

The Directors, the Services Provider, the Investment Adviser, the Custodian and the Administrator or companies with which they are associated may from time to time act as director, manager, investment adviser, custodian or administrator in relation to, or be otherwise involved in, other funds established by parties other than the Company which have similar objectives to those of the Fund. It is therefore possible that any of them may, in the course of business, have potential conflicts of interest with the Fund. Each will, at all times, have regard in such event to its obligations to the Fund and endeavour to ensure that such conflicts are resolved fairly. In addition, any of the foregoing may deal as principal or agent with the Fund, provided that such dealings are carried out as if effected on normal commercial terms negotiated on an arm's length basis.

The Services Provider or any of its affiliates or any person connected with the Services Provider may invest in, directly or indirectly, or manage or advise other funds or accounts which invest in assets which may also be purchased or sold by the Fund. Neither the Services Provider nor any of its affiliates nor any person connected with it is under any obligation to offer investment opportunities of which any of them become aware to the Fund or to account to the Fund in respect of (or share with the Fund or inform the Fund of) any such transaction or any benefit received by any of them from such transaction, but will allocate such opportunities on an equitable basis between the Fund and other clients.

## GENERAL INFORMATION

### Incorporation

The Company was incorporated in Guernsey under the provisions of The Companies (Guernsey) Law, 1994, as amended, as a limited company (Company No. 43302) on 20 June 2005 and has been established as a protected cell company for the purpose of Part XXVII of the Companies Law. The Company changed its name from EPIC Investment Funds PCC Limited to EEA Life Settlements Fund PCC Limited on 3 August 2007.

### Coventry Capital US LLC v EEA Life Settlements Inc., & others (the "US Proceedings")

EEA Inc is currently a defendant to litigation in the Southern District of New York, United States, which were commenced against EEA Inc, Vincent Piscaer and Hiren Patel (together, the "**Defendants**") in September 2017. The US Proceedings have completed the discovery stage, and, based on current expectations, it may be 2024 (or later) before the US Proceedings conclude.

The US Proceedings relate to a failed negotiation in 2017 between EEA Inc and Coventry Capital US LLC ("**Coventry**") regarding the sale of a portfolio of US Life Settlement Policies. The parties entered into a letter of intent, under which they agreed to negotiate further in good faith, but a final agreement was never reached. After the breakdown of negotiations, Coventry filed the US Proceedings against the Defendants alleging that they engaged in a pattern of conduct that undermined the negotiations with Coventry. The Defendants reject the allegations made against them and are of the view that the US Proceedings are a tool being used by Coventry to attempt to negotiate through litigation and are wholly without merit.

Whilst the Company is not a party to the litigation nor the subject of any allegations of wrongdoing by Coventry, EEA Inc holds the Company's portfolio of investments and the cash required for servicing those investments. Coventry, pursuant to the US Proceedings, is seeking damages and/or an order that EEA Inc be required to sell (to Coventry) some or all of EEA Inc's assets. In either event, unless coverage by any applicable insurance policies is available, that order would be met out of the assets of EEA Inc.

Save for the US Proceedings, there have been no governmental, legal or arbitration proceedings, and the Fund is not aware of any governmental, legal or arbitration proceedings pending or threatened, nor of any such proceedings having been pending or threatened at any time preceding the date of this Information Memorandum which may have, or have had in the recent past, a significant effect on the financial position or profitability of the Fund. Should any such other governmental, legal or arbitration proceedings come to light that have not been identified as at the date of this Information Memorandum and/or arise following the date of this Information Memorandum, this may result in a material adverse effect on the Fund's financial performance and, in turn, that of the Shares.

### Share capital

The Company is authorised to issue 100 Management Shares of €1 each and an unlimited number of participating redeemable preference shares of no par value. The Shares may be issued as shares in a Cell.

All issued Shares are in registered form. Share certificates will not be issued.

### Management Shares

The 100 Management Shares in issue were issued at par and are owned by the Services Provider. The Management Shares are not redeemable and do not carry any right to vote (except in relation to a resolution to voluntarily wind up the Company or unless there are no Shares in issue in which case each Management Share carries one vote) or to dividends. Assets not attributable to any particular Cell will constitute the non-cellular assets of the Company for the purposes of Part XXVII of the Companies Law. In a winding-up the surplus of any such assets shall be distributed among the holders of Management Shares pro rata to their respective holdings up to the nominal value paid up in the Management Shares.

### Continuing Shares

Continuing Shares are not available for subscription, unless and until the Directors in their absolute discretion determine otherwise.

Continuing Shares may be redeemed in the circumstances set out in the relevant Supplement.

The Continuing Shares carry the right to any dividends as determined by the Directors. Each holder of Continuing Shares is entitled, on a poll, to one vote for each Continuing Share held. Assets attributable to any Cell will constitute the cellular assets of such Cell for the purposes of Part XXVII of the Companies Law. In a winding-up the cellular assets available for distribution shall be distributed among the holders of Continuing Shares of each Cell in question pro rata to their respective holdings in such Cell. A fraction of a Continuing Share in a Cell will rank *pari passu* and proportionately with a whole Continuing Share in that Cell.

### **Run-Off Shares**

Run-Off Shares are not available for subscription.

The Run-Off Shares are redeemable at the option of the Directors and not at the option of the relevant Shareholder.

The Run-Off Shares carry the right to any dividends and other distributions as determined by the Directors. Each holder of Run-Off Shares is entitled, on a poll, to one vote for each Run-Off Share held. Assets attributable to any Cell will constitute the cellular assets of such Cell for the purposes of Part XXVII of the Companies Law. In a winding-up the cellular assets available for distribution shall be distributed among the holders of Run-Off Shares of each Cell in question pro rata to their respective holdings in such Cell. A fraction of a Run-Off Share in a Cell will rank *pari passu* and proportionately with a whole Run-Off Share in that Cell.

### **Distributions**

Distributions will be made to holders of Run-Off Shares by way of compulsory redemption or otherwise (at the discretion of the Directors) on a twice yearly basis, provided that:

- (a) at the relevant time, the Available Cash attributable to the Run-Off Cell exceeds (i) ten per cent. of the Net Asset Value (at the relevant time) of the Run-Off Cell; and
- (b) the aggregate of all distributions in respect of all classes of Run-Off Shares in aggregate on each date is at least US\$20,000,000 (or equivalent in the relevant currency).

Subject to the foregoing requirements, distributions may also be made at such other times as the Directors may in their absolute discretion determine.

### **Unclaimed dividends**

- (a) Any dividend which has remained unclaimed for 6 years from the date when it became due for payment shall, if the Directors so resolve, be forfeited and cease to remain owing by the Company.
- (b) All unclaimed dividends may be invested or otherwise made use of by the Directors for the benefit of the Company until claimed. No dividends shall bear interest against the Company. The payment by the Directors of any unclaimed dividend or other moneys payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect thereof.

### **Right to purchase own shares**

- (a) The Company may, pursuant to the Articles, acquire any of its own shares whether or not they are redeemable.
- (b) The Company and any of its subsidiaries may give financial assistance directly or indirectly for the purpose of or in connection with the acquisition of its shares or in connection with

reducing or discharging any liability incurred in connection with the purchase of shares in the Company.

### **Winding up procedure**

The Company may be wound up when a special resolution is passed by the Company. Further, when the authorisation of the Company as an authorised collective investment scheme is revoked, the Directors shall convene an extraordinary general meeting of the Company for a date not later than one month after the revocation for the purpose of considering a resolution to wind up the Company.

The Company will be wound up in accordance with the Articles and any applicable Guernsey laws and regulations.

As soon as practicable after the Company falls to be wound up, a liquidator will realise the property of the Company and, after payment of all liabilities and costs, distribute the proceeds of the realisation to the Shareholders and in proportion to their respective interests in accordance with the Articles.

### **Voting rights (including proxies)**

Notice of meetings will be sent to all Shareholders entitled to attend and/or at the discretion of the Directors will be published on the Services Provider's website as may be advised from time to time.

At any meeting of Shareholders of the Company, resolutions may be passed by a show of hands at the meeting unless a poll is required. A poll of Shareholders may be demanded by the chairman of the meeting, or at least two Shareholders having the right to vote on the resolution, or a Shareholder or Shareholders representing not less than one-tenth of the total voting rights of all the Shareholders having the right to vote on the resolution.

Only Shareholders or their proxies may vote at general meetings of the Company. The Management Shares do not carry any right to vote (except in relation to a resolution to voluntarily wind up the Company or unless there are no Shares in issue in which case each Management Share carries one vote).

Shareholders representing not less than one-tenth of the Shares in issue may, in writing, request the Directors to convene a meeting. The quorum for a general meeting for the purpose of passing resolutions shall be two Shareholders entitled to vote present in person or by proxy and holding not less than 5 per cent. of Shares for the time being in issue.

A meeting duly convened and held in accordance with the provisions set out in the Articles (and subject to the Class B Rules) shall be competent by special resolution:

- (c) to sanction any modification, alteration or addition to the provisions of the Articles;
- (d) to approve any departure by the Services Provider from any investment policy a statement of which has been included in the Information Memorandum or Supplements;
- (e) to remove the Services Provider;
- (f) to remove the Custodian;
- (g) to approve an arrangement for the reconstruction or amalgamation of the Company with another body or scheme whether or not that other scheme is a collective investment scheme;
- (h) to increase the maximum of the fees payable to the Services Provider and the Investment Adviser provided that any such increase shall become effective at a specified date not earlier than 14 days after the date on which the resolution is passed.

### **Articles of Incorporation**

The following is a summary of certain of the provisions of the Articles.

- (a) Variation of rights and alteration of capital
- (i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue) may, whether or not the Company is being wound up, only be varied with the consent in writing of the holders of a majority of the issued shares of that class or with the sanction of an ordinary resolution passed at a separate general meeting of the holders of the shares of that class.
  - (ii) The rights attached to the Shares shall be deemed to be varied by the creation or issue of any shares (other than Shares of any class) ranking *pari passu* with or in priority to them as respects participation in the profits of the Company or in a winding up or reduction of capital.
  - (iii) The Company may by ordinary resolution:
    - (A) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
    - (B) subdivide all or any of its shares into shares of a smaller amount than is fixed by the memorandum of incorporation or Articles;
    - (C) cancel any shares which have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the number of shares so cancelled.
- (b) Issue and Transfer of Shares
- (i) Unless otherwise stated in this Information Memorandum unissued shares in the Company are under the control of the Directors who may dispose of them on such terms and to such persons as they think fit.
  - (ii) Subject to the restrictions below, any Shareholder may transfer in writing all or any of his Shares in any form, which the Directors may accept in their discretion.
  - (iii) The Directors may in their discretion and without assigning any reason decline to register any transfer of shares (not being fully paid shares). The Shares, among other things, may not be offered, sold, transferred, acquired or delivered, directly or indirectly, in the United States of America or any of its territories, possessions or areas subject to its jurisdiction or to, or for the account of, a Non Qualified Person which definition includes a US Person ("Non Qualified Person" is defined in the Articles).
  - (iv) The Directors may also refuse to register any transfer of a share on which the Company has a lien, if the transferee is a person upon which a compulsory redemption notice may be served or unless the instrument of transfer is:
    - (A) lodged at the registered office of the Company or at such other place as the Directors may from time to time appoint and is accompanied by the certificate (if issued) for the shares to which it relates and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer;
    - (B) in respect of only one class of shares;
    - (C) in favour of not more than four transferees; and
    - (D) to a person who is not under the age of 18.

- (v) If the Directors refuse to register a transfer of a share they shall, within two months after the date on which the instrument of transfer was lodged with the Company, send to the transferor and the transferee notice of the refusal.
- (vi) The registration of transfers of shares or of transfers of any class of shares may be suspended at such times and for such periods (not exceeding 30 days in any year) as the Directors may determine.
- (vii) There shall be paid to the Company in respect of the registration of any probate, letters of administration, certificate of marriage or death, power of attorney or other document relating to or affecting the title to any shares, such fee as the Directors may from time to time require or prescribe.
- (viii) Subject to the provisions of the Companies Law and without prejudice to any special rights for the time being conferred on the existing holders of any shares or class of shares any share in the Company may be issued with such rights or restrictions as the Directors may determine.

(c) **Compulsory Redemptions**

- (i) If it shall come to the notice of the Directors that Shares are or may be held directly, indirectly or beneficially by any person:
  - (A) who is a Non-Qualified Person (as defined in the Articles); or
  - (B) in breach of any law or requirement of any country or regulatory authority by virtue of which such person is not qualified to hold such Shares; or
  - (C) whose ownership of Shares may in the opinion of the Directors or the Services Provider cause the Company or any of its Shareholders any legal, tax or regulatory consequences or other fiscal or pecuniary or material administrative disadvantage, which the Company or its Shareholders might not otherwise have incurred or suffered; or
  - (D) who is within a class of persons identified in this Information Memorandum as being ineligible to own or be interested in; or
  - (E) who fails to complete or fails to adequately complete United States taxation forms following notification on behalf of the Company that such taxation forms are required to be completed within such time period specified in the notification; or
  - (F) who holds equal to or more than ten per cent. of the total number of Shares of the Company or of a Cell in issue; or
  - (G) who is a minor;

then the Directors or their duly authorised agent may give notice to the registered holder requiring him to transfer such Shares to or for the benefit of a person who is qualified or entitled to own them or to give a request in writing for the redemption of such Shares in accordance with the Articles.

If within 30 days after the receipt of a notice it has not been complied with, the Directors may deem that the redemption of the relevant shares has been requested by the person and the shares shall be redeemed in accordance with the Articles.

All rights of a holder who has been served a compulsory redemption notice will be suspended from the close of business on the day the notice is served except as is necessary to effect a redemption or transfer.

- (ii) At the discretion of the Directors, distributions will be made to holders of Run- Off Shares by way of compulsory redemption as described in the relevant Supplement.
- (iii) At the discretion of the Directors, Continuing Shares may be compulsorily redeemed at any time that corresponding investments in any Other Instruments are compulsorily redeemed.
- (iv) Immediately upon the compulsory redemption of Shares, pursuant to paragraphs (ii) or (iii) above, the holder of such redeemed Shares shall cease to have any right in respect thereof, except the right to payment of the Redemption Value.
- (v) From and including the close of business on the date on which notice is given to the registered holder pursuant to paragraph (i) above all rights of such holder attached to the Shares to which the notice related will be suspended save for such rights as may be necessary to enable a holder to effect a redemption or transfer.
- (vi) In respect of the Redemption Value payable in respect of a compulsory redemption under paragraphs (i), (ii) or (iii) above:
  - (A) subject to the following paragraphs (b) and (c), such Redemption Value will be calculated as at the Redemption Day next following the receipt or deemed receipt of the redemption request referred to in paragraph (i), or (iii) above;
  - (B) in respect of Run-Off Shares of a particular Class compulsorily redeemed pursuant to paragraph (i), should the Directors so determine at their discretion, the Redemption Value may be calculated as at a subsequent Redemption Day, not to be later than the next following Redemption Day as at which a twice yearly distribution of Available Cash exceeding a specified amount is made by way of compulsory redemption, as detailed in the section headed "Distributions" in this Information Memorandum and in accordance with the Articles; and in the event a suspension of the valuation of the Net Asset Value or the redemption of shares pursuant to the Articles is in place at the time of any compulsory redemption of Continuing Shares or Run-Off Shares, or
  - (C) in the event such a suspension occurs after such compulsory redemption but before the Redemption Day as of which the Redemption Value is to be calculated pursuant to this paragraph (vi), the Redemption Value for the purpose of any shares so compulsorily redeemed shall, should the Directors so determine at their discretion, be calculated as at the Redemption Day immediately following the expiry of such suspension or, if the Redemption Day as of which the Redemption Value would otherwise be calculated pursuant to this paragraph (vi) has not yet occurred by the end of the suspension, that Redemption Day,

and redemption proceeds payable pursuant to this paragraph (vi) will be deposited by the Company in an account (without interest) for payment against surrender of the certificate or certificates (if any) for such Continuing Shares or Run-Off Shares. Upon the deposit of such redemption proceeds as aforesaid, such person shall have no further interest in such Continuing Shares or Run- Off Shares or any of them or any claim against the Company in respect thereof except the right to receive the redemption proceeds so deposited (without interest) upon surrender of the said certificate or certificates (if issued).

(d) **Directors**

- (i) Unless otherwise determined by ordinary resolution, the number of Directors shall be not less than two.
- (ii) The Directors shall have power at any time, and from time to time, without sanction of the Company in general meeting, to appoint any person to be a Director, either to

fill a casual vacancy or as an additional Director. Any Director so appointed shall hold office only until the next following annual general meeting and shall then be eligible for re-election.

- (iii) The Company may by ordinary resolution appoint and remove any person as a Director provided that no person, other than a retiring Director, shall, unless recommended by the Directors for appointment, be eligible for the office of a Director at any general meeting otherwise than in accordance with the provisions of the Articles.
- (iv) A Director may retire from office as a Director by giving notice in writing to that effect to the Company.
- (v) The office of a Director shall be vacated if:
  - (A) he ceases to be a Director by virtue of any provision of, or
  - (B) he ceases to be eligible to be a director in accordance with the Companies Law; or
  - (C) he becomes bankrupt or makes any arrangement or composition with his creditors generally; or
  - (D) he dies; or
  - (E) he resigns his office by notice to the Company; or he becomes of unsound mind; or
  - (F) he is given notice by all other Directors to vacate office; or
  - (G) he is absent from meetings of the Directors for four successive meetings without leave expressed by a resolution of the Directors and the Directors resolve that his office be vacated; or
  - (H) the Company so resolves by ordinary resolution.
- (vi) The remuneration of each Director shall be determined from time to time by the Directors provided always that the aggregated remuneration of the Directors shall not exceed such amount as may be stated in this Information Memorandum. In addition, a Director who performs a special service on behalf of the Company may receive such sum as the Directors think fit for expenses and be paid such additional remuneration as the Directors may determine.
- (vii) The Directors shall be entitled to be repaid by the Company all out of pocket expenses properly incurred by them or with a view to performance of their duties or in connection with their attendance at meetings of the Directors or of committees of the Directors or general meetings or separate meetings of the holders of any class of shares or otherwise in discharge of their duties.
- (viii) Provided that he has disclosed to the Directors the nature and extent of any of his interest in accordance with the Companies Law, a Director notwithstanding his office may be a party to, or otherwise interested in, any transaction or arrangement with the Company and shall not, by reason of his office, be accountable to the Company for any benefit which he derives from any such transaction or arrangement. No such transaction or arrangement shall be liable to be avoided on the ground of any such interest. A general disclosure given to the Directors to the effect that a Director is to be regarded as having an interest (as director, officer, employee, member or otherwise), including the monetary value of the director's interest is quantifiable, the nature and monetary value of that interest and if not quantifiable the nature and extent of that interest, in a party is to be regarded as interested in any transaction

which after the date of disclosure be entered into with that party, shall be deemed to be sufficient disclosure of his interest in any such transaction or arrangement.

- (ix) A Director may vote in respect of any transaction or arrangement or any other proposal whatsoever in which he has any interest which he has disclosed and may be counted in the quorum at the meeting at which such matter is voted.
- (x) Where proposals are under consideration concerning the appointment of two or more Directors to offices or employment with the Company or any company in which the Company is interested such proposals may be divided and considered in relation to each Director separately and in such case each of the Directors concerned shall be entitled to vote and be counted in the quorum in respect of each resolution except that concerning his own appointment.

(e) **Borrowing Powers**

The Directors may exercise all the powers of the Company to borrow money, to give guarantees and to mortgage, pledge or charge all or part of its property or assets as security for any liability or obligation of the Company or of any third party. The Directors shall restrict the borrowings of the Company and its subsidiaries (if any) to the effect that, save with the previous sanction of an ordinary resolution of the holders of Shares of the relevant class, the Company shall not, and shall ensure that none of its subsidiaries (if any) shall (so far as the Company can so secure by the exercise of its voting and other rights or power of control in respect of such subsidiaries), borrow money in relation to any class of Shares if, at the time of any such transaction, the aggregate liability in respect thereof would exceed a sum equal to such per cent. of the Net Asset Value as set out in the Information Memorandum. Borrowings for this purpose shall be deemed to include:

- (i) the principal amount of any issued debentures notwithstanding that the same be issued in whole or in part for a consideration other than cash;
- (ii) the outstanding amount of acceptances by any bank or accepting house under any acceptance credit opened on behalf of and in favour of the Company or its subsidiaries (if any);
- (iii) the principal amount of any moneys borrowed the repayment whereof is guaranteed by the Company or its subsidiaries (if any) except so far as either:
- (iv) the debt owing in respect of such borrowed moneys is for the time being beneficially owned by the Company or its subsidiaries (if any); or
- (v) such borrowed moneys are otherwise taken into account as moneys borrowed by the Company or its subsidiaries (if any).

(f) **Indemnity**

Every present or former officer of the Company may (to the extent permissible under the Companies Law) be fully indemnified out of the assets and profits of the Company against all actions, expenses and liabilities which he may incur except through his own wilful act, neglect or default.

(g) **Notices**

- (i) The Company may give notice to a member by the following means:
- (ii) personally;
- (iii) by post in a prepaid envelope to his registered address or leaving it at that address;
- (iv) transmitting it by facsimile to the number last notified by the member; or

- (v) sending it by electronic means to the electronic address advised to the Company or by means of website.

(h) **Suspension of dealings**

The Directors may in their discretion declare a suspension of one or more, of the valuation of the Net Asset Value, the issue, sale, purchase, redemption or conversion of shares or dealings of any class or classes of Continuing Shares and/or Run-Off Shares, in the following circumstances: during any period (other than ordinary holiday or customary weekend closings) when any market is closed which is the main market for a significant part of the Company's investments, or when trading thereon is restricted or suspended;

- (i) during any period when any emergency exists as a result of which disposal or valuation by the Company of investments which constitute a substantial portion of its assets is not practically feasible without being seriously detrimental to the interests of Shareholders in general, or in the opinion of the Services Provider the redemption price cannot be calculated or such disposal would be materially prejudicial to Shareholders;
- (ii) during any period when for any reason the prices of a material portion of the investments of the Company cannot be reasonably, promptly or accurately ascertained by the Company;
- (iii) during any period when due to conditions of market turmoil or market illiquidity it is not possible, in the opinion of the Directors, to determine the fair value of the assets of the Company;
- (iv) during any period in which any breakdown occurs in the means of communication normally employed in determining the value of any of the investments of the Company or when for any other reason the value of any of the investments or other assets of the Company cannot reasonably or fairly be ascertained;
- (v) when the Services Provider is unable to repatriate funds required for the purpose of making redemption payments or when such payments cannot, in the opinion of the Services Provider, be effected at normal prices or normal rates of exchange or during which any transfer of funds involved in the realisation or acquisition of investments or when payments due or redemptions cannot, in the opinion of the Directors, be effected at normal prices or normal rates of exchange;
- (vi) during any period when proceeds of the sale or redemption of Participating Shares or Run-Off Shares cannot be transmitted to or from the Company's account;
- (vii) following service of a notice of a meeting of the Shareholders at which a resolution is to be proposed to wind up the Company or a resolution has been passed for the winding up of the Company; or
- (viii) if the Directors determine that a suspension is in the best interests of the Company and/or the Shareholders.

Any such suspension of the valuation of the Net Asset Value of a class of Participating Shares or Run-Off Shares and/or of the issue, sale, purchase, redemption and/or conversion of shares of that class shall take effect at such time as the Directors shall declare but not later than the close of business on the Business Day next following the declaration and thereafter such suspension shall remain in place until:

- (i) the Directors shall determine that the condition giving rise to the suspension shall have ceased to exist and no other condition under which suspension is authorised under the Articles shall exist; or
- (ii) six months shall have elapsed from the date of the suspension unless prior to the expiry of such period the Directors shall have declared a further suspension in which

case such suspension shall continue until terminated pursuant to the provisions of paragraphs (a) or (b).

If the Directors declare a suspension of the determination of the Net Asset Value of any class of shares under the provisions of the Articles, then as soon as may be practicable after any such declaration, the Directors shall cause a notice to be placed in such publications as the Directors deem appropriate stating that such declaration has been made, and at the end of any period of suspension the Directors shall cause another notice to be placed in such publication stating that the period of suspension has ended.

The Directors may, during any period of suspension:

- (i) determine or authorise the determination of an estimated net asset value, calculated on the basis of the Net Asset Value (or such other basis as the Directors may determine at their discretion); and
- (ii) declare that any wholly or partly unsatisfied redemption requests which were validly submitted (whether before or during such period of suspension) shall be treated as withdrawn and cancelled.

(i) **Disclosure of interests**

- (i) The Directors may at any time and from time to time by notice require any Shareholder to disclose to the Company the Required Details.
- (ii) The Directors may at any time and from time to time by notice require any Shareholder to disclose to the Company:
  - (A) whether they are holding their interest in the Company for their own benefit or the benefit of another person; and
  - (B) if for the benefit of another person, the Required Details in respect of that person

and where a person holds an interest whether legally or beneficially through any other person (directly or indirectly) the Required Details in respect of each such person.

- (iii) A Shareholder who receives such notice must comply with that notice within such reasonable time as may be specified in the notice.
- (iv) Where, in the opinion of the Directors, a Shareholder has:
  - (A) failed, without reasonable excuse, to comply with such notice; or
  - (B) made a statement in response to such notice which is false, deceptive or misleading in a material particular,

the Company may place such restrictions as it thinks fit on rights attaching to the Shareholders interest in the Company, including, without limitation:

- (C) any right to transfer the interest;
- (D) any voting rights;
- (E) any right to further Shares in respect of Shares already held;
- (F) any right to payment due to the Shareholder's interest, whether in respect of capital or otherwise; and/or

- (G) cancel the Shareholder's interest in the Company (whether by redemption for nominal value or otherwise).

## General

- (a) Save as otherwise disclosed herein, no share or loan capital of the Company is under option or agreed, conditionally or unconditionally, to be put under option.
- (b) There are no provisions of Guernsey law which confer pre-emption rights on existing Shareholders on the allotment of equity securities for cash.
- (c) As at the date of this Information Memorandum none of the Directors nor any member of their respective immediate family has any interest in the share capital of the Company the existence of which is known to, or could with reasonable diligence, be ascertained by, the relevant Director. In the future, other Directors of the Company may become interested directly or indirectly in the share capital of the Company.
- (d) None of the Directors has a service contract with the Company, and no such contract is proposed.
- (e) No loan or guarantee has been granted or provided by the Company to or for the benefit of any Director.
- (f) As at the date of this Information Memorandum the Company has no loan capital (including term loans) outstanding or created but unissued, and no outstanding mortgages, charges or other borrowings, or indebtedness in the nature of borrowing, including bank overdrafts and liabilities under acceptances or acceptance credits, hire purchase or finance lease commitments, guarantees or other contingent liabilities.
- (g) Save as otherwise disclosed herein, none of the Directors nor any member of their respective immediate families has or has had any interest in any transaction or transactions which are or were unusual in their nature or conditions or significant to the business of the Company and which were effected by the Company since its incorporation.

## Material agreements

The Company has entered into the following material agreements at the date of this Information Memorandum. The agreements entered into in relation to specific Cells are set out in the relevant Supplement.

### Services Agreement

The services agreement dated 1 January 2024 (as may be amended and/or supplemented) between the Company (on its own behalf and on behalf of its Cells) and the Services Provider (the "**Services Agreement**"), whereby the Services Provider has been appointed to provide certain services to the Company and each of its Cells. Insofar as permitted by the Companies Law, under the Agreement, the Company and the relevant Cell, as applicable, indemnifies and exempts the Services Provider from any liability and losses not due to the Services Provider's fraud, gross negligence or wilful default suffered by the Services Provider in connection with the subject matter of this Agreement. The Services Agreement may be terminated by, *inter alia*, either the Services Provider or the Company giving not less than six months' notice in writing to the other.

### Custodian Agreement

Under the Custodian Agreement dated 2 February 2009 (as amended, restated, novated and/or supplemented from time to time (including pursuant to agreements dated 1 March 2010, 30 April 2010, 18 November 2010, 8 July 2011, 31 December 2013, 24 June 2021 and 1 March 2024) between the Company (on its own behalf and on behalf of its Cells), the Services Provider, the Custodian, EEA Holdings, the Master Subsidiary, the Master Sub II and EEA Inc (the "**Custodian Agreement**"), the Custodian has been appointed as custodian of the assets of the Company, EEA Holdings, the Master Subsidiary, the Master Sub II, EEA Inc and of each Cell. Insofar as permitted by the Companies Law, the Agreement exempts the

Custodian from liability not due to its fraud, wilful default or negligence and provides the Custodian with an indemnity from the assets of the relevant Fund entity, as applicable, in respect of losses or damages it may incur in the performance of its duties. The Custodian Agreement may be terminated by, *inter alia*, not less than three months' notice in writing given by the Company to the Custodian or by the Custodian to the Company.

### **Administration Agreement**

Under the Administration Agreement, dated on or around the date of this Information Memorandum, between the Company (on its own behalf and on behalf of its Cells) and the Administrator (the "**Administration Agreement**"), the Company has appointed the Administrator to carry out certain duties. Insofar as permitted by the Companies Law, the Administrator will not in the absence of wilful default, fraud or negligence be liable for any loss or damage which the Company, its Cells, EEA Holdings, the Master Subsidiary, the Master Sub II and EEA Inc may sustain or suffer as a result of, or in the course of, the discharge by the Administrator of its duties thereunder. The Administration Agreement is terminable by, *inter alia*, not less than three months' notice in writing given by the Fund to the Administrator or the Administrator to the Fund.

### **Registrar Agreement**

The Registrar Agreement dated 1 February 2016 (as amended, restated and/or supplemented from time to time, including as amended and supplemented on 24 June 2021) between the Company (on its own behalf and on behalf of its Cells), the Custodian, and the Registrar (the "**Registrar Agreement**") pursuant to which the Registrar has been appointed to act as registrar of the Company and of each Cell. The Registrar will not in the absence of fraud, wilful default or negligence be liable for any loss or damage which the Company or the Custodian may sustain or suffer as a result of, or in the course of, the discharge by the Registrar of its duties thereunder. The Registrar Agreement is terminable, *inter alia*, upon six months' notice in writing by either the Custodian or the Registrar and shall terminate automatically if the Administration Agreement or Custodian Agreement is terminated for any reason.

### **Investment Advisory Agreement**

The Investment Advisory Agreement, dated on or around the date of this Information Memorandum, between EEA Inc, the Services Provider and the Investment Adviser (the "**Investment Advisory Agreement**") whereby the Investment Adviser has been appointed to provide certain investment advisory and management services in relation to the assets of the Fund. The Agreement provides that the Investment Adviser is indemnified in respect of losses or damages it may incur in the performance of its duties not due to fraud, wilful misconduct or negligence.

The Investment Adviser receives a fee payable by EEA Inc as set out in this Information Memorandum.

The Investment Advisory Agreement is terminable:

- (i) upon six month's written notice by any party;
- (ii) following a default by the Investment Adviser in accordance with the provisions of the Investment Advisory Agreement;
- (iii) upon the occurrence of a Change in Control Event or EPIC Change in Control Event (each as defined in the Investment Advisory Agreement); or
- (iv) upon there being no Active Policies (as defined in the Investment Advisory Agreement) remaining, provided that the parties may agree to extend this Agreement on such terms as they see fit in order to provide for any post-Active Policy services which may be required from the Investment Adviser.

### **Sub-Custody Agreement**

The Sub-Custody Agreement dated 2 February 2009 (as assigned on 1 March 2010 and subsequently amended and restated on 4 April 2011 and further amended and supplemented from time to time including as amended on 25 March 2021) between the Custodian, EEA Inc and the Sub-Custodian (the "**Sub-**

**Custodian Agreement**") whereby the Sub-Custodian has been appointed sub-custodian of the assets of EEA Inc deposited with the Sub-Custodian. The Sub-Custodian is indemnified in absence of fraud, negligence, wilful default or a breach of the Sub-Custody Agreement on its part, against any and all actions, proceedings, claims, costs, demands and expenses which may be brought against, suffered or incurred by the Sub-Custodian in connection with the performance of the Sub-Custodian's duties under the terms of the Sub-Custody Agreement including all legal, professional and other expenses (the "**Liabilities**"). The indemnity also extends to such Liabilities as arise as a result of loss, delay, mis-delivery or error in transmission of any telecommunication or as a result of acting upon any forged transfer for redemption of shares. The Agreement is terminable, *inter alia*, by the Sub-Custodian giving not less than six months' written notice to EEA Inc (provided that a period of 3 years since the date of the Sub-Custody Agreement has expired) and the Custodian or EEA Inc or the Custodian giving not less than three months' notice to the Sub-Custodian expiring at any time. The Sub-Custodian receives a fee payable by EEA Inc as set out in this Information Memorandum.

### **Supplemental Agreement**

The Supplemental Agreement dated 7 October 2008 (as amended on 18 March 2009, assigned on 1 March 2010 and subsequently amended and restated on 4 April 2011) between the Sub-Custodian, the Investment Adviser, EEA Inc and the Premium Payment Agent (the "**Supplemental Agreement**") whereby the Premium Payment Agent has been appointed to make payments of premiums under insurance policies purchased by EEA Inc to the insurance companies. The Premium Payment Agent is indemnified by EEA Inc in the absence of wilful misconduct or gross negligence against any costs, expenses, loss, claim, damage or liability resulting or arising from the performance by the Premium Payment Agent of its duties under the Supplemental Agreement. Further, EEA Inc, the Investment Adviser and the Premium Payment Agent jointly and severally indemnify the Sub-Custodian for liabilities, costs, losses or damages it incurs arising out of the appointment of the Premium Payment Agent including arising out of the acts or omissions of the Premium Paying Agent. The Supplemental Agreement is terminable on thirty days' notice from EEA Inc (or Investment Adviser acting on its behalf) to the Sub-Custodian and Premium Payment Agent, thirty days' notice from the Sub-Custodian to the other parties, and sixty days' notice from the Premium Payment Agent to the other parties. The Premium Payment Agent receives a fee payable by EEA Inc as set out in this Information Memorandum.

### **Agency Agreement**

The Agency Agreement dated 2 February 2009 (as assigned on 1 March 2010 and subsequently amended and restated on 4 April 2011) between the Custodian, EEA Inc, the Investment Adviser and the Sub-Custodian (the "**Agency Agreement**"), whereby the Investment Adviser has been appointed agent of the Custodian to direct the operation of the accounts maintained by the Sub-Custodian on behalf of EEA Inc, to give instructions to the Sub-Custodian and receive full information in respect of such accounts. The Agent is not entitled to any remuneration so long as it acts as the investment adviser of EEA Inc. The Agency Agreement is terminable, *inter alia*, by the Custodian or the Agent giving to the other three months' written notice or immediately upon the termination of the Custodian Agreement.

### **Servicing Agreement**

The Servicing Agreement dated 23 February 2010 (as assigned on 1 March 2010 and subsequently amended and restated on 4 April 2011) between EEA Inc, the Investment Adviser and the Servicing Agent (the "**Servicing Agreement**") whereby the Servicing Agent has been appointed servicing agent of the life insurance policies to be acquired or held by EEA Inc. The Servicing Agent is indemnified, in absence of gross negligence or wilful misconduct, against any loss, liability, expense, claims or demands arising out of or in connection with the transactions contemplated by the Servicing Agreement. The Servicing Agreement is terminable by EEA Inc by giving thirty days' written notice to the Servicing Agent and the Investment Adviser and by the Servicing Agent giving ninety days' written notice to EEA Inc, the Investment Adviser and the Sub-Custodian. The Servicing Agent receives a fee payable by EEA Inc as set out in this Information Memorandum.

### **Consultancy Agreement**

The Fund has appointed Maple Life to provide certain independent consulting, due diligence, advisory and actuarial services in relation to investments in life insurance products, as agreed from time to time pursuant to specific statements of work for specific engagements under a master agreement dated 21 January 2015

("Consultancy Agreement"). The terms of the Consultancy Agreement shall be subject to the terms of a specific statement of work in relation to a specific engagement.

The aggregate of all sums which Maple Life shall be obligated to pay to any person in respect of damages, claims, actions, losses or impairments of any nature whatsoever arising out of its performance or non-performance under the Consultancy Agreement shall be limited to, and shall not exceed, US\$1,500,000.

The Consultancy Agreement may be terminated by either party on sixty days' written notice to the other. Such termination shall be effective immediately sixty days after the other party's receipt of such notice.

### **Data Protection**

Guernsey has implemented data protection legislation similar to the European Union's General Data Protection Regulation. Any personal data provided to the Company by or on behalf of a Shareholder or prospective investor by whatever means will be processed by the Company's appointed functionaries in compliance with the relevant data protection legislation and the Company's privacy notice published on the Services Provider's website from time to time. Prospective investors and Shareholders are responsible for informing any third party individual to whom personal data relates of the disclosure and use of such data in accordance with these provisions.

Each of the Company and its service providers shall be responsible for and control any personal data which it processes in relation to investors and will comply with the data protection law applicable to the collection and processing of the personal data and take appropriate technical and organisational measures against unauthorised or unlawful processing of personal data and against accidental loss or destruction of, or damage to, personal data.

### **Inspection of the register of Shareholders**

Title to the Shares will be evidenced by entries on the register of Shareholders.

The register of Shareholders and the register of directors and secretaries of the Company may be inspected at the registered office of the Company during usual business hours on each Business Day.

### **Documents available for inspection**

Copies of the following documents may be inspected free of charge or purchased for a reasonable fee at the registered offices of the Company during usual business hours on each Business Day. Alternatively, certain documents can also be found on the websites detailed below:

- (a) the memorandum and articles of incorporation of the Company;
- (b) the material agreements referred to above and in the Supplements and any amendments thereto;
- (c) the latest Information Memorandum, Supplements and Annual Report and Accounts, which can also be found on the Services Provider's website alongside further downloads such as Q&A information, the Net Asset Value per Share for each Cell and latest fund fact sheet - <https://www.eealifeselements.com/eea-life-settlements-fund/>;
- (d) the privacy notice listed by the Company, which can be found on the Services Provider's website - <https://www.eealifeselements.com/eea-life-settlements-fund/>;
- (e) The Companies (Guernsey) Law, 2008 as amended, extended or replaced;
- (f) The Authorised Collective Investment Schemes (Class B) Rules and Guidance, 2021 details of which can also be found on the GFSC Website, latest legislation and guidance section - <https://www.gfsc.gg/commission/legislation-and-guidance>; and
- (g) details of any other directorships that are held and have been held in the past five years by the Directors.



## SCHEDULE

### *Cells*

GBP New Continuing Cell

GBP New Run-Off Cell