

18 March 2015

TO ALL KNOWN INVESTORS

Life Premium Fund, SPC – In Official Liquidation (the “Company”)

Dear Sirs

As you are aware from my letter dated 12 March 2015, a winding up order was made in relation to the Company on 6 March 2015 and David Griffin and I were appointed as Joint Official Liquidators (“JOLs”).

The JOLs are in the process of collecting the Company’s books and records from the Company’s directors and other service providers in order to conduct an independent assessment of the financial position of the Company and assess the options for maximizing value from the Company’s assets for the benefit of all stakeholders. You will appreciate that the JOLs investigations are still at a very early stage and, therefore, the information we have obtained to date is incomplete.

However, it has quickly become clear to the JOLs that immediate funding is required in the liquidation in order to pay insurance policy premiums to preserve the value of those policies. If premium payments are not paid on a timely basis, insurance policies will lapse, resulting in a loss of value to the assets of the Company.

Funding options

The JOLs consider that there are two funding options available in the circumstances:

1. Obtain funding from the Company’s investors; or
2. Agree funding arrangements with an independent third party provider (which the JOLs consider is highly likely to be a more expensive source of funding).

The JOLs wish to understand whether any investors are willing to consider providing funding to the liquidation in the form of a loan. Any such loan would be advanced on commercial terms with an appropriate rate of interest to be agreed with the JOLs. The loan would be documented by the Company’s legal advisors and would be repaid, together with applicable interest, as and when policies mature.

For the avoidance of any doubt, the repayment of any such loan would rank as an expense of the liquidation to be satisfied in priority to the remuneration of the JOLs and any payments to the Company’s creditors and investors.

Assets of the Company

Based on the JOLs' preliminary review of the Company's books and records which have been received to date, the Company has the following assets:

1. 100% interests in eleven life insurance policies with total face value of US\$5.7m;
 2. fractional interests in a further seventeen life insurance policies with total face value (to the Company) of US\$7.5m
- (together the "Policies").

The JOLs will continue to investigate the financial affairs of the Company, including the historical asset position and the capital raised from investors. This will include identifying any other policies which the Company held prior to the commencement of the liquidation. Further information will be provided to investors, as and when it becomes available.

The ownership of the Policies is divided between certain segregated portfolios of the Company (the "Portfolios"). Whilst it is too early in the liquidation process for the JOLs to make an accurate assessment of the economic interests of each of the Portfolios in the Policies, it appears that all of the Portfolios may have an interest in the value of the Policies being maintained.

Premium payments required to maintain the Policies

The JOLs have prepared cash flow projections based on the Company's books and records and information provided by service providers, which indicate that the following premium payments are required between now and 31 July 2015 in respect of the Policies:

- US\$85,846 of total monthly premiums for 100% owned policies; and
- US\$31,100 in respect of an annual premium for a policy in which the Company owns a 64.1% interest.

The JOLs do not currently have full information in respect of fractional interests, which may mean that additional amounts may fall due before 31 July 2015. The JOLs anticipate that further information will be forthcoming from the directors and service providers over the coming days.

However, at this stage, the JOLs intend to seek funding from either the investors or third parties in the total sum of US\$150,000. This is calculated by reference to the sums referred to above plus a contingency to deal with any further amounts which are identified upon receipt of further information. Additional funding may be required in due course for the premiums beyond 31 July 2015, however, this initial funding will allow the JOLs time to consider all of the available options.

Please note that no funding provided will be used to pay policy premiums without the JOLs first obtaining independent confirmation from the relevant insurer and/or policy provider regarding the status of the policy.

Timing of funding requirement

The JOLs have control of the Company's bank accounts, which hold certain cash balances. Based on information obtained by the JOLs to date, if all premiums falling due are paid, the cash available in these bank accounts will be exhausted during April 2015. The JOLs are therefore seeking to raise the US\$150,000 of funding from investors as soon as possible but in any event no later than 3 April 2015.

Requirements from investors

In view of the urgency of this matter and the time that will be required to agree and document a funding agreement, the JOLs would encourage investors who are willing to provide funding of at least US\$25,000 to contact them.

If you are willing to consider providing this funding to the liquidation, please register your interest by emailing lpfliquidation@fticonsulting.com as a matter of urgency and in any event by 25 March 2015 at the latest. The JOLs will then contact you to provide further information.

In the meantime, the JOLs will also explore the availability and applicable terms of funding from independent third party providers.

If you have any queries please either call the Cayman Islands office of FTI Consulting on + 1 345 743 6830 or send an email to lpfliquidation@fticonsulting.com.

Yours faithfully



Andrew Morrison

Joint Official Liquidator