



Life Bond Management GmbH

*Your competent partner in
US Life Settlement Business*



[Life Bond was the first mover who established the US-secondary life insurance market in Germany]

Who we are

Germany's First Mover

The Life Bond Group has been consulting, planning and managing capital investment opportunities in the secondary markets for life insurance in the USA, Germany and Japan since 2002.

With the investment in a portfolio of existing US life insurance policies, investors are given the chance to participate in this highly interesting growth market.

The goal of all investments is the medium and long term realization of above-average returns with a low volatility and fallout risk, driven by the quality of active portfolio management.

lifebond^{LM} – Range of Services:

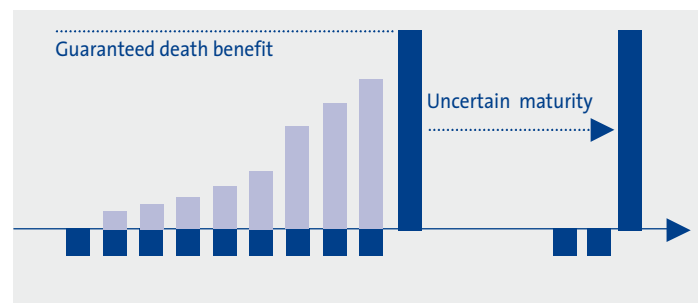
- Management of US closed-end funds
- Reporting and Investor Relations
- Product development for institutional investors in the US Secondary Life Insurance Market (Life Settlements)
- Portfolio Management and Administration platform for secondary insurance market transactions (including preparation for investment and de-investment decisions)
- Consulting for secondary life insurance market transactions
- Management of actuarial service providers

What we are talking about

Life Settlement Transactions

The profitability of a life settlement transaction is driven by biometrical aspects rather than by capital markets terms and conditions.

USA



Source: Life Bond Management GmbH

Investments in Life Settlements – Key-Facts

- Non-correlated to capital market risks
- Maturity unknown
- Death benefit known
- Biometrical risk

Investment Possibilities

- Direct investment in single policies
- Closed-end funds (commercial / asset management tax structure, place of business USA)
- Certificates
- Open funds
- Rated or unrated ABS structures



[Life Bond is a industry-leading specialist for high-level financial services related to Life Settlements]

What we can do for you

lifebond[™] Services

- Sourcing
- Pricing & Rating
- Closing
- Portfolio Management
- Structured Finance

1. Purchasing Channels

- Access to network of existing purchasing channels
- Ongoing market research and communication to integrate new sources into the network

2. Purchase of Policies

Closing / Change of ownership and beneficiary:
Obtain client's approval to close on a policy, coordination of the closing process, execution and supervision of the necessary payments (escrow transactions where required), initiate and monitor the process of change of ownership / beneficiary, monitor the filing of life settlement packages with the custodian

3. Structure of Purchasing Process

- Trustee Bank / Custodian (if necessary / desired)
- Assist client in determining purchase criteria
- Utilization of Life Bond pricing tool (easily adapted to special requirements of the client)

Origination – Preliminary Review:

- Origination and identification of eligible policies offered on the US life settlement market
- Compliance with client's purchasing criteria
- Data and documentation gathering for due diligence, investigation of discrepancies
- Due Diligence / Pricing
- Detailed review of the documents associated with submitted policies
- Data entry in Life Bond pricing tool and determination of the maximum gross purchase price based upon the given target yield

4. Policy Management

- Set up (for example data transfer to Life Bond portfolio, valuation & management tools)
- Premium management
- Tracking of the insured / death benefit collection
- Audit of vaulted policy files (if necessary / desired)
- Accounting and financial statements
- Controlling / Reporting
- Coordination of actuaries (ifa Institute, Ulm)

5. Portfolio Management

Ongoing monitoring and management of the portfolio in order to achieve the required diversification or to meet special requirements concerning the composition of the portfolio, specified, for example, by rating agencies

lifebond®

Specialists in Life Insurance Markets.

— lifebond® **LM**
Financial Services and Life Settlements.

Life Bond Management GmbH

The company is among the leaders in consulting, planning and managing capital investment opportunities in the secondary market for life insurance in the USA

— lifebond® **LV**
Ihre Lebensversicherung ist Mehrwert.

Life Bond Lebensversicherungshandelsgesellschaft mbH

Purchase of and loans on secondary German life insurance policies. Planning and managing capital-building potential in German secondary life insurance markets

— lifebond® **VW**
Ihre finanzielle Sicherheit im Alter.

Life Bond Vermittlungsgesellschaft für Versicherungen und Vermögensanlagen mbH

Planning and marketing of retirement accounts, finance and pension funds

— **LUX** Kapitalmarkt Management AG

Lux Kapitalmarkt Management AG

Consulting, structuring and management of capital market transactions



[lifebond® is a well established brand name which is firmly linked to Secondary Life Insurance Markets]

Five Reasons to choose lifebond^{LM}

1 Mature Expertise (advantage based on know-how)

Life Bond was the market opener in Germany back in 2002 for US life settlement funds. So far, 5 funds have been placed and invested (2 private placements, 3 retail closed-end funds). Life Bond is currently managing US life settlement portfolios in excess of USD 850m.

2 Extensive Network of Purchasing Channels, Standardized Procedures

Life Bond has access to the leading market players and providers of life insurance policies on the secondary market in the U.S. Thus, it is ensured that from a large inventory of legally and medically pre-checked life insurance policies, those are selected and evaluated in a standardized process, which fulfill the needs and investment criteria of the client.

3 Proprietary Actuarial Software Tools and Models

Together with its actuarial advisor, the ifa institute for financial & actuarial services (www.ifa-ulm.de), Life Bond has developed proprietary software tools and models especially for the pricing of policies as well as for the administration and valuation of US life settlement portfolios. In addition, Life Bond is able to provide a customized reporting as well as assistance and necessary data with regard to the preparation of annual financial statements.

4 High End, Tax-Efficient Capital Market Tools

Life Bond currently operates through platforms in Germany and Luxembourg and thus has specialists to build capital market products in the US Life Settlements asset class. Through cooperation with tax consultants specializing in US Life Settlements, Life Bond is in a position to develop tax-efficient capital market products in this asset class which are geared to each customer's individual requirements.

5 Structuring of Capital Market Transactions

Through our affiliate Lux Kapitalmarkt Management AG, Life Bond is in the position to provide asset managers and investors with tailor-made, cost efficient and exclusive set-ups of capital market instruments and asset-backed securities.

lifebond^{LM} – At a Glance:

Most sophisticated, high quality financial services "Made in Germany":

- Access to well-established network of purchasing channels
- Standardized processes
- Exclusive actuarial advisor and proprietary actuarial software tools and models
- Intelligent portfolio management
- Efficient policy administration



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