

RESS | CAPITAL

RESS UNCORRELATED ASSETS FUND

INFORMATION BROCHURE

The brochure for Ress Uncorrelated Assets Fund (“the Fund”) has been prepared according to the Swedish law on alternative investment funds (lagen (2013:561) om förvaltare av alternativa investeringsfonder) and the Swedish Financial Supervisory Authority’s regulation (FFFS 2013:10) on alternative investment fund managers. This document is the information brochure as required by law for the Fund. It should be read together with the placement memorandum by all prospective investors. The Fund is an alternative investment fund which is managed by Resscapital AB (“the Fund Manager”). Investing in the Fund entails risks and past performance is not a guide to future performance. An investment in the Fund may decrease or increase in value, irrespective of other market conditions. This information brochure is meant to assist prospective investors to take an informed decision and understand the Fund’s risks and possibilities. It is not a recommendation to invest and an investment decision should take into account the investors’ investment horizon, liquidity constraints and risk profile.

INFORMATION ABOUT THE FUND

The Fund’s name is Ress Uncorrelated Assets Fund. The Fund is an umbrella fund with only one sub-fund launched, Ress Life Fund. The Fund is organised under the laws of Luxembourg and has been set-up for an undetermined period on 20 November 2010. The fund is authorised in Luxembourg as a specialised investment fund and is managed by a management company, Ress Capital Fund Management SA, who acts on behalf of the Fund.

The share capital of the management company amounts to EUR 323,750. The management company was established on 5 January 2010, is registered in Luxembourg with company registration number B-150684 at 7 avenue Jean-Pierre Pescatore, L-2324 Luxembourg. It is a management company, as defined under chapter 16 of the Luxembourg law dated 17 December 2010 relating to undertakings for collective investments and is registered accordingly with the Luxembourg supervisory authority, CSSF. The management company is responsible for the management and administration of the Fund. The Management Company will determine the investment policy of the Fund within the objectives and restrictions set forth herein and in the Management Regulations. It has delegated the portfolio management and risk management functions to the Fund Manager through an investment management agreement. Without prejudice to the aforementioned delegation of duties to third parties the Management Company remains responsible for the supervision of the respective delegated duties.

DEPOSITORY

The Fund’s depository is Caceis Bank Luxembourg which is incorporated as a public limited company under the laws of Luxembourg with its registered office at 5, allée Scheffer, L-2520 Luxembourg. Under relevant Luxembourg AIFM legislation, the Depository is responsible for the general supervision of the assets of the Fund and the custody of the assets entrusted to it.

NET ASSET VALUE CALCULATION

The valuation methodology and calculation of the net asset value will follow the principles as adopted in the annual audited accounts. The Fund Manager will provide data and relevant input for the portfolio valuation to Caceis Bank Luxembourg which acts as central

administration agent and calculates a monthly net asset value for the Fund as at the last business day of each month. The net asset value is available approx. 14 days thereafter. All unit holders receive a monthly statement stating the number of units owned, the net asset value per unit in USD and the total value of the units owned in USD. All monthly net asset values since inception are available at the Fund Manager's website www.resscapi.com

An external auditor or actuary will perform an independent review of, and formally report on, the valuation of the investment portfolio as prepared by the Fund Manager, twice a year. As part of this exercise the auditor or actuary will review any movements in the portfolio, including a review of every new policy purchased, to ensure the valuation is prepared in accordance with the agreed valuation methodology and underlying assumptions.

THE FUND'S TARGET GROUP

The Fund is targeted towards investors who qualify as professional investors within the meaning of Annex II to Directive 2004/39/EC of 21 April 2004 on markets in financial instruments (the "MiFID"). Each subscriber has to confirm that they may be treated as a professional client for purposes of the subscription of units.

CHANGES OF THE FUND'S ARTICLE OF ASSOCIATIONS

The Fund's Private Placement Memorandum may be changed from time to time. The changes may impact the Fund's investment strategy, fees and risk profile.

FISCAL YEAR

The Fund's fiscal year runs from 1 April to 31 March.

UNITHOLDER REGISTER AND REPORTS

Caceis Bank Luxembourg, acting as the central administration agent for the Fund, will maintain a register of the owners of the fund units, notify unit holders when audited semi-annual and annual reports are available and send the audited annual report and semi-annual report to any unit holder that requests a copy. The semi-annual and annual reports are made available no later than four or two months, respectively, after the end of the financial year or end of the first half of the financial year.

AUDITOR

The Fund is audited annually by KPMG.

MISCELLANEOUS

The Fund may be liquidated at any time by the management company, where the management company is acting as liquidator. The Fund must be liquidated if the management company is wound up for any reason. Any decision to changes to the Fund's investment strategy can only be decided by the management company and will only take effect once approved by CSSF, the regulatory authority. In case the board of the management company decides to terminate the Fund and redeem all the units, then holders of the relevant units shall be notified in writing of the reasons of and the procedure for the redemption operations.

EQUAL TREATMENT OF THE FUND'S SHAREHOLDERS

No single unit holder receives preferential treatment over other unit holders.

Existing or prospective unit holders, may request additional information from the Fund Manager regarding the Fund, such as performance, costs, underlying assets, risk management procedures, risk limits etc.

INVESTMENT STRATEGY

The Fund invests in the secondary market for US life insurance policies, also known as life settlements. The market offers investors the opportunity to purchase life insurance policies at a discount to face value and exists because sellers of life insurance policies receive a higher cash value than the surrender value offered by insurance companies. The investor buying the life insurance policy continues to pay premiums for the rest of the life of the insured. Once the policy matures, the insurance company pays the face value to the investor.

To investors the key attraction with the asset class is that returns for life settlements are highly uncorrelated to many major asset classes, such as equities, bonds, property etc. The long-term objective is to purchase a large and diversified life insurance portfolio in order to provide attractive long-term capital growth in US dollars. The Fund aims to buy and hold policies, but may also trade individual policies to take advantage of specific opportunities.

Policies are sourced through brokers, which are regulated and authorised in the various states in the United States. An automated portfolio management system allows large number of policies to be reviewed and bids are made on policies which offer attractive expected returns. When selecting and pricing a policy for the Fund, many different criteria are taken into account, including life expectancy, age, medical impairments, gender, premiums, mortality rating, insurance company ratings etc. An independent life expectancy report is always requested in order to provide accurate life expectancy estimates. Prior to closing the transaction a legal review takes place.

The Fund may source both individual policies and/or acquire multiple existing portfolio(s) in a cash or derivative format. The Fund will purchase policies according to the following criteria:

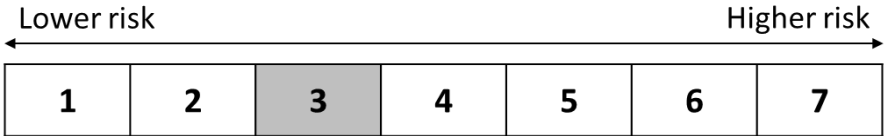
- (a) Policies have to be issued by US insurance companies or US subsidiaries of non-US insurance companies on insured individuals above the age of 55;
- (b) Policies have to be issued by insurance companies with an A.M. Best rating of at least A- or equivalent by other recognised rating agencies;
- (c) Both male and female insured are acceptable.
- (d) Single and joint lives are permitted.
- (e) Only whole life, universal life, term life and variable universal life policies will be acceptable.
- (f) Both variable and fixed premiums are acceptable;
- (g) Policies must be without restrictions of assignment, not in a grace period, have no restrictions on payment of full death benefit or in one lump sum, beyond contestability period, and unencumbered.
- (h) The face value of the policy has to be between USD 100,000 and USD 30 million per insured;
- (i) The life expectancy must be more than 24 months but not longer than 300 months (or other as per state law);
- (j) Medical underwriting will be provided by at least two underwriters such as Young Med Solutions LLC, Fasano Associates, American Viatical Services (AVS), 21st Services, EMSI or other firms, deemed reputable from time to time;

In addition, the Fund:

- (a) will not purchase policies issued by one single insurance company, the aggregate face value of which is more than 15% of the total face value of the policies held by the Fund.
- (ii) will not purchase policies where the insured has been diagnosed as having AIDS or being HIV positive; and
- (iii) will not purchase a policy which has not yet passed the suicide and contestability period (usually a period of 2 years from issuance).

RISK FACTORS AND SUITABILITY

Investing in life insurance policies entails a number of risk factors which differ from other investments. The asset class is not suitable to short-term investors and liquidity is limited. The Fund is suitable for investors with at least a five year investment horizon. All assets are in US dollars and no currency hedging is done, thus investors should take the currency risk into consideration. The Fund's risk, measured in terms of volatility of the historical returns, is equal to 2 on the Synthetic Risk and Reward Indicator (SRRI) scale, which extends from 1 to 7. This measure is derived from the volatility of the returns after fees over time. The table below shows how different risk categories correspond to the historical volatility of net returns.



Some important risk factors are:

Longevity risk – if life expectancy estimates are too short, the Fund may be required to pay out more premiums than anticipated. The policy payout will also be delayed. Either of these circumstances could have a significant adverse effect on the projected return.

Maturity risk - is a risk that exists on some policies and means that an insured may outlive the policy insurance coverage in which case the policy will terminate.

Availability risk – the Fund is dependent on its ongoing ability to purchase life insurance policies. Changes in circumstances may result in a reduced supply of policies.

Pricing risks - the market is under continuous development and the pricing risk will at all times be present.

Liquidity risk – the secondary market for life insurance policies is illiquid and the Fund may not have access to liquid assets to make redemption payments.

The Fund may use a substantial portion of the funds to acquire a pool of life settlements. There is minimal or no return on such purchases until maturity. Proceeds derived from maturing life settlements will be reinvested and will not be readily available to satisfy redemption requests. Such an investment is essentially illiquid. Therefore, the Fund may not have access to liquid assets to make any payment to unitholders until the life settlements mature, or unless it realizes the assets in the life settlements market. The market for 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 The Fund's liquidity, the Fund Manager shall seek to match redemptions with subscriptions and source available credit facilities with the pledging of the life settlements held by the Fund.

Missing insured - there is a risk that an insured may go missing. The Fund could incur substantial unplanned expenses in locating a missing insured and could experience substantial delays in collecting death benefits.

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. Counterparty risk in the Fund is managed by limiting the exposure to any single insurance company to 15%, and by only buying policies written by insurers rated A-, or higher at the time of purchase.

Insurable interest risk – there is a risk that an insurer could contest a policy that have been originated through a method or procedure that attempts to circumvent state insurable interest laws. Although the Fund Manager will conduct a reasonable level of due diligence in advance of investing, it may be difficult in certain instances to recognize a lack of insurable interest.

Changes to actuarial tables - life expectancy underwriters and insurance actuaries may choose to change the mortality tables used to predict the life expectancy of individuals. Any future changes to the mortality tables lengthening the time an insured is expected to live could materially adversely affect the pricing of policies.

BORROWING AND FINANCIAL LEVERAGE

Normally, it is not the intention of the Fund Manager to use leverage for the Fund. Nevertheless, the Fund may borrow to provide liquidity for acquisition of policies, redemption, payment of expenses, and bridging requirements. The loan instruments shall at all times be compliant with all loan covenants required by lenders including loan-to-value ratios'. The maximum total leverage of the Fund achieved by the use of loan instruments will not exceed 50% of the Fund's net assets. Detailed information is available in the placement memorandum.

PRIME BROKERS

The Fund does not use a prime broker.

SUBSCRIPTION

The minimum investment and holding amount in the Fund is the equivalent in USD of EUR 125,000. Units can be subscribed on the last business day of every month. The Fund is only available to investors that are resident in any eligible country as determined by the Fund Manager. The Fund is reserved to institutional investors, professional investors and any other investors who qualify as well-informed investors within the meaning of the 2007 Law. The subscription agreement is available from the central administration agent, or the Fund Manager.

REDEMPTIONS

The Fund is an open-ended fund. Investors may request redemption of their units at a price equal to the net asset value per unit at the end of each quarter. Redemption requests must be received by the central administration agent 30 calendar days before the applicable redemption day. Redemption proceeds shall be paid in US dollars within thirty calendar days after the applicable redemption day. However, in case redemption requests relate to more than 5% of the units in issue, the management company may decide that part or all of such requests for redemption will be deferred proportionally. Detailed information about the redemption procedure is available in the placement memorandum.

DIVIDENDS

The Fund does not pay any dividends.

FEES AND EXPENSES

The management company is entitled to receive out of the assets, a management fee of 1.5% per annum, payable quarterly in arrears based on the latest available net asset value of the Fund. In addition, the management company shall receive out of the assets of the Fund, a performance fee equivalent to 15% of the performance above an annualized hurdle rate of 6% with a high watermark, which corresponds to the last net asset value per unit on which a performance fee was paid.

The following example explains how the performance fee is calculated every year: Assume that the net asset value per unit on the 1 January is USD 100 and that on 31 December of the same year it is USD 113. The net performance during the year is thus $113 - 100 = 13$ which is equal to an increase of 13%. The hurdle rate is non-cumulative and is 6% per year. A performance fee of 15% is payable on the difference between the gain and the hurdle rate, which in this example is USD 7. Thus, the performance fee paid in this example on December 31 is USD 1.05.

The central administration agent and depository will be paid, out of the Fund's assets, fees that are within the customary range for the services provided, as well as parties involved in the acquisition of the policies (i.e. providers, medical underwriters and tracking agents). During 2015 ongoing charges for the Fund were 2.69 %. Further information about fees and expenses is available in the placement memorandum.

TAXATION

Investors should consult their professional advisors on the possible tax and other consequences of their subscribing for, purchasing, holding or redeeming units under the laws of their country of incorporation, establishment, citizenship, residence or domicile.

The Fund is currently not liable for any Luxembourg tax on profits or income, except a tax of 0.01% per annum of its net asset value. An investor without a physical presence or permanent establishment in Luxembourg will not be subject to Luxembourg taxation on income from its investment in the Fund. Detailed information about taxation is available in the placement memorandum.

HISTORICAL PERFORMANCE

The historical performance of the Fund is available at the Fund Manager's website www.resscapi.com.

The historical performance numbers are realised net returns, after deduction of all fees. The monthly net asset values are all in USD. All monthly net asset values since inception are included. Past performance is not a reliable indicator of future results and investors may not recover the full amount invested.

THE FUND MANAGER

Resscapital AB is a limited liability company incorporated in Sweden on 3 January 2006 with company no 556698-1253 and is the alternative investment fund manager (Fund Manager) for Ress Uncorrelated Assets Fund, a specialised investment fund in Luxembourg. The company is authorised and supervised as an alternative investment fund manager by Finansinspektionen, the Swedish Financial Supervisory Authority. The registered address of the company is: PO Box 55916, 102 16 Stockholm, Sweden. The company's share capital amounts to SEK 529 691.

The Fund Manager's focus is insurance-linked securities with an emphasis on the secondary market for US life insurance policies. Proprietary pricing models and actuarial underwriting capabilities have been developed, in order to give an advantage when purchasing policies. The models utilize all information available from underwriters, including mortality distribution. Stochastic simulation and probabilistic forecasting improves risk management.

The Fund Manager has extra capital reserved to cover the liability risks as stipulated by current regulatory requirements.

BOARD OF DIRECTORS

The Fund Managers' board of directors consists of Niklas Midby, Chairman (also serves as Chairman of Skandiabanken ASA), Erik Mitteregger (also serves on the boards of Kinnevik,

and Wise Group), Claes-Johan Geijer and the company's founder Jonas Mårtenson. All board members are covered by liability insurance. No board member has any employment outside the company which can be significant for the Fund Manager.

MANAGEMENT

The Fund Manager's Managing Director is Gustaf Hagerud. Andreas Ametrin, Deputy Managing Director, is employed as Fund Manager, Jonas Mårtenson, is employed as Sales Director, Anton Pozine is employed as Fund Manager. Gustaf Hagerud is also responsible for the valuation function and Johan Jonson is employed as Risk Manager.

OTHER PARTIES

The Fund Manager is audited annually by KPMG AB and the Fund is audited annually by KPMG Luxembourg. The compliance function for the Fund Manager is outsourced to SE Compliance AB and the internal audit function is outsourced to Lüscher & Co Revision AB.

INFORMATION

This information brochure is valid as of 1 June 2017. All relevant documents can be obtained at no charge from the Fund Manager and updated information on the Fund is published on www.resscapiital.com or www.resslifeinvestments.com.