



# Luxembourg Life Fund FCP SIF

## Absolute Return Fund I

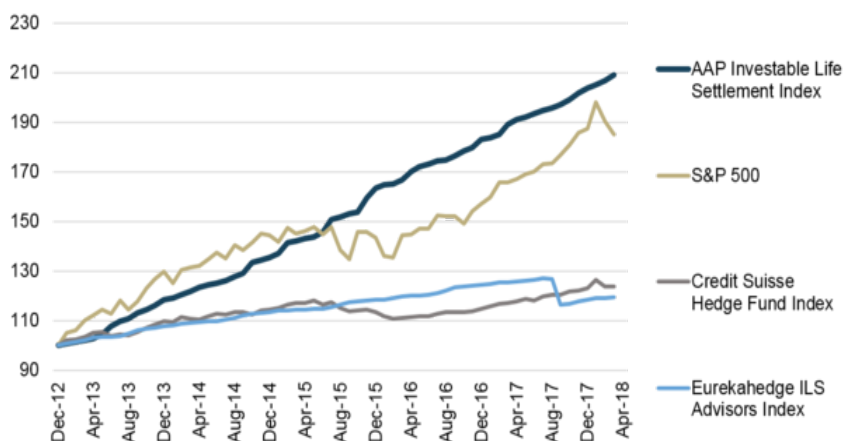
### Fund Highlights

- Uncorrelated from traditional financial markets – Mortality driven and not correlated to equities, interest rates or other economic indicators.
- Low volatility returns – Isolated mortality variable provides low volatility performance.
- Private Equity Structure – Cash in Cash out with no reinvestment.
- Policies sourced in tertiary market in blocks – Fund will purchase more mature life settlements in larger blocks to gain economies of scale and reduce cash drag
- Cost basis accounting – The fund is a private equity structure with quarterly NAVs based on cost accounting. Income only recognized and performance fee only paid when the income is realized.
- Targeted returns – The fund through a tiered strategy is targeting returns in the mid-teens.

### Fund Strategy

The Absolute Return Fund I's investment strategy is to purchase carefully selected life insurance policies that are beyond the contestability period. The Fund seeks to build a large diversified portfolio across numerous sectors, including but not limited to carrier concentration, expected maturities, gender, age, impairment, geography and face value. In order to properly implement a buy and hold to maturity strategy, the fund seeks to isolate mortality risk and build a large sample size. The Fund employs detailed actuarial and financial analysis to ensure that policies purchased have accounted for longevity risk as well as other variables of the actuarial profile with substantial stress testing to control extension risk. Even though the Fund is a closed end vehicle, there will be an annual mark to market valuation for reporting purposes.

### Historical Returns



### Fund Facts

Investment Manager	Carlisle Management
Subcustodian	Wells Fargo
Administrator	Caceis Bank Luxembourg
Custodian	Caceis Bank Luxembourg
Auditor	KPMG
Valuation Agent	Lewis & Ellis
Legal Advisor	Dechert
Tax Advisor	TS&P
Fund Domicile	Luxembourg
Term	10 Years
Target Return	15% plus
Cash Distributions	Quarterly

### Fund Details

Currencies	USD;EUR; CHF
Management fee	1.5%
Incentive fee	20% with 6% hurdle

### Life Settlement Industry

A life settlement is the transfer of ownership and beneficiary rights of an unwanted or unneeded life insurance policy on an insured senior in exchange for a cash settlement. The seller no longer has the responsibility of paying future premiums. In exchange, investors profit based on the difference of the face value of the policy and acquisition and maintenance costs.

Prior to life settlements, seniors who owned U.S. life insurance policies they no longer wanted, needed, or could afford were faced with either letting the policy lapse or surrendering the policy back to the insurance carrier for only a small cash value. The life settlement marketplace has provided consumers with a much needed option where they can receive substantially more than the cash surrender value.



## Portfolio Process

The Absolute Return Fund I will focus on sourcing policies through the tertiary market and build a well-diversified portfolio of seasoned life settlements.

Carlisle will utilize its sourcing channels to maximize return for investors and provide an asset base that is stable and predictable through substantial stress testing and sensitivity analysis.

Once the portfolio is complete, Carlisle will manage the portfolio to optimize cash flows and distribute available cash flows back to investors to maximize return and minimize duration.



## Tertiary Market

Due to its growth and number of participants, a tertiary market for life insurance has evolved within this industry, allowing institutional investors to buy and sell policies within the space. This tertiary market has been growing significantly through large institutional investors and middle market intermediaries to record transactions over \$10 Billion per year and growing. The tertiary market is providing an entry to sophisticated investors looking to build large portfolios of life settlements.

## Fund Overview

### Investment Manager

Carlisle Management Company S.C.A (CMC) is an AIFMD compliant Luxembourg based fund management firm that is focused on the United States secondary life insurance market. CMC operates the Luxembourg Life Fund, offering institutional investors access to investment strategies based on life settlement products. CMC also specializes in alternative asset strategy consulting and portfolio development. Boasting one of the most experienced teams in the industry, CMC provides management services to institutional investors.

### Portfolio Management Team:

Jose Garcia	Chief Executive Officer
Tim Mol	Chief Operating Officer
Victor Heggelman	Chief Financial Officer
Christopher Winters	Portfolio Manager

### Details:

Investment Team size	15
Headquarters	Luxembourg
Legal Entity	Société en Commandite par Actions

### Disclaimer

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