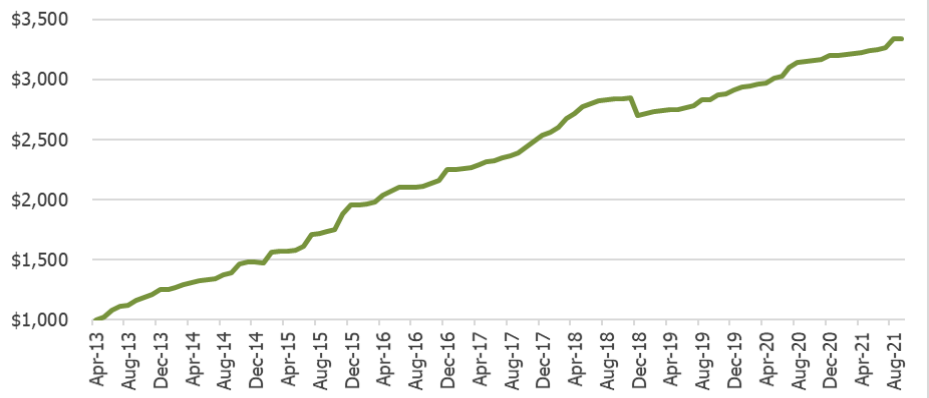




## FUND DETAILS

Investment minimum: \$100,000  
 Follow-up Investment: \$25,000  
 Liquidity: Monthly (120 days' notice)  
 Redemption fees years 1-3  
 Administrator: Apex Fund Services  
 Custodian: Bank of Utah  
 Valuation Consultant: Lewis & Ellis  
 Auditor: Deloitte  
 Regulator: The Bermuda Monetary Authority

## VALUE OF \$1,000 INVESTED (USD)



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
<b>2013</b>	\$ -	-	-	-	1.9%	6.0%	3.0%	0.6%	3.9%	1.9%	1.9%	3.4%	<b>24.8%</b>
<b>2014</b>	\$ 0.4%	1.1%	1.7%	1.7%	1.0%	0.9%	0.7%	2.4%	0.8%	5.8%	0.6%	0.2%	<b>18.5%</b>
<b>2015</b>	\$ -0.3%	6.0%	0.2%	0.1%	0.5%	2.5%	5.9%	0.4%	0.8%	1.3%	7.3%	3.7%	<b>31.9%</b>
<b>2016</b>	\$ 0.2%	0.4%	0.7%	3.0%	1.6%	1.4%	0.1%	0.1%	0.5%	1.1%	1.0%	4.0%	<b>15.1%</b>
<b>2017</b>	\$ 0.2%	0.3%	0.5%	1.0%	1.2%	0.3%	0.9%	0.8%	1.0%	2.0%	2.0%	2.2%	<b>13.1%</b>
<b>2018</b>	\$ 0.7%	1.8%	2.6%	1.6%	2.0%	1.0%	0.8%	0.3%	0.3%	0.0%	0.3%	-4.9%	<b>6.4%</b>
<b>2019</b>	\$ 0.5%	0.7%	0.2%	0.2%	0.2%	0.5%	0.7%	1.6%	0.0%	1.4%	0.4%	1.2%	<b>7.9%</b>
<b>2020</b>	\$ 0.8%	0.3%	0.3%	0.4%	1.3%	0.7%	2.2%	1.3%	0.4%	0.3%	0.2%	0.9%	<b>9.6%</b>
<b>2021</b>	\$ 0.0%	0.4%	0.1%	0.4%	0.4%	0.4%	0.4%	2.1%	0.1%				<b>4.4%</b>

## PERFORMANCE ANALYSIS (USD)

Current month: 0.1%  
 Year to Date: 4.4%

Compound Annual Growth Rate: 15.4%  
 Since Inception: 234%

Annual Cash Yield: 0% to 10%

Worst / Best month: -4.9% / 7.3%

Fund AUM (USD): \$ 70 ml  
 Advisor AUM (USD): \$ 79 ml

## THE INVESTMENT ENVIRONMENT

### Markets Wobble: Bad News from the Real World.

The S&P was down 4.7% in September and the 10-year Treasuries finished at 1.52%. The Bloomberg Global Bond Index is down 4.1% ytd. Investors began to take note of some real-world problems: inflation, persistent supply chain problems, shortages of key commodities, and the imminent tapering of the historic QE Program.

Inflation reports were concerning. Y-o-y producer prices were up 8.6% in the USA, personal consumption inflation up 4.3%, home prices up 19%, rental prices up 11%, and a UN food index is up 33%. The price of coal, which produces 40% of the world's electricity, has more than doubled in 6 months. The price of natural gas has also soared, forcing the collapse of 12 utilities in the UK.

At least 20 Chinese provinces have announced power cuts and India has just 4 days of coal reserves. Germany, heavily reliant on exports, has shortages of computer chips, aluminum, cobalt, lithium, nickel etc. The UK is short of natural gas and electricity. The respected economist El-Erian pointed out the obvious: The economy's problem is not demand but supply, and the window for an orderly tapering is closing fast.

The economic backdrop is more uncertain than ever. Investors will likely face real world inflation, strikes, potential unrest, shortages, rising rates, bond defaults, and declining asset prices. A genuinely non-correlated asset is now more attractive than ever; Life Settlements is one of the few asset strategies that can deliver in this environment.

## CONTACT

Tony Bremness, Managing Director

Skype: Tony.bremness  
 Email: [info@LaureolaAdvisors.com](mailto:info@LaureolaAdvisors.com)  
 Web: [www.LaureolaAdvisors.com](http://www.LaureolaAdvisors.com)



## LAST MONTH IN THE LIFE SETTLEMENT MARKETS

### **Life Settlements Market Stable; A Pension Fund Increases its Allocation**

Life Settlement markets traded in their usual range of 12% to 14% IRR (gross projected IRR on purchase) but with a few more policies trading above that range than in the past few years – signs that the decline in market IRRs has stabilized and may be shifting marginally in favour of the buyers. There is also encouraging growth in the supply of policies from younger insureds and in small face policies.

News reports indicate that The City of Zurich Pension Plan has increased its allocation to Life Settlements by \$60 ml, as part of its strategy to invest in insurance linked assets, a category which also includes CAT bonds. While the CAT Bond market is much larger and more liquid, returns are significantly lower. The City of Zurich joins other institutional investors that are profiting from this uncorrelated asset class including US Endowments and Pensions. While institutional investors often make their initial allocation via closed end Funds, the more sophisticated are now exploring separately managed account structures, which provide more flexibility and control for the investors.

Swiss institutional investors are notoriously conservative and careful; if they are comfortable in the asset class then others will likely follow.

## THE PORTFOLIO – RECENT ACTIVITY

### **A Quiet Month; Buffet Rule #1 Applied**

The Laureola (Bermuda) Feeder Fund returned 0.1% for the month of September and is now up 4.4% ytd, adhering to Warren Buffet's famous Rule #1 in investing: "Don't Lose Money". (Buffet Rule #2 is "Don't forget about Rule #1"). Returns were positive due to the maturity of one smaller policy last month.

The portfolio now holds 184 policies with a combined \$127 ml of Face value; The average Life Expectancy is 74 mos. 35% of the insureds have a Life Expectancy of less than 4 years, including the insureds of several larger policies. 22 insureds are more than 90 years old, including the insureds of several larger policies.

Neither the asset class nor the Laureola strategy is designed to compete with Bitcoin or other "high flier" alternative strategies. The risk, potential return, and time horizon are completely different. It will appeal to investors seeking safety and genuine non-correlation from difficult economic environments and from upheavals in the equity, fixed income, and real estate markets such as we are beginning to experience globally.

## CONTACT

Tony Bremness, Managing Director

Skype Tony.Bremness  
email [info@LaureolaAdvisors.com](mailto:info@LaureolaAdvisors.com)  
Web [www.LaureolaAdvisors.com](http://www.LaureolaAdvisors.com)

The safety accorded by the Laureola strategy can be seen in the fact that 99 of 101 months have been positive (Buffet Rule #1) with similar consistency over longer periods. Every rolling 18 mo and 24 mo. period has been positive and averaged low double digit annual returns. Shorter periods can have more variation due to the nature of the asset class: over 9 mos. the range has been -2.7% to +25%. The current 9 mo. ytd period is inside this range.

There are growing indications that we are entering a difficult period for the traditional markets and for the global economy. Laureola investors can be confident that their investment in the Laureola Fund is well sheltered from the coming storms.

**This Document is neither an offer to sell nor a solicitation of an offer to buy any securities described herein. Such an offer will only be made to qualified investors by means of the Confidential Private Placement Memoranda, The Laureola Investment Feeder Fund Supplement, the Laureola Master Fund Supplement, the Subscription Agreement, and related documents ("Offering Documents"), This document is provided for information purposes only. Prospective Investors should carefully consider all the Risk Factors contained in the Offering Documents.**



Historical Performance by Feeder Fund, Currency Series and Class

		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
<b>2013</b>	\$	-	-	-	-	1.9%	6.0%	3.0%	0.6%	3.9%	1.9%	1.9%	3.4%	24.8%
	€	-	-	-	-	1.6%	4.3%	2.4%	0.6%	3.7%	1.8%	1.8%	3.3%	21.2%
	£	-	-	-	-			2.7%	0.4%	3.4%	1.9%	1.8%	3.3%	14.2%
<b>2014</b>	\$	0.4%	1.1%	1.7%	1.7%	1.0%	0.9%	0.7%	2.4%	0.8%	5.8%	0.6%	0.2%	18.5%
	€	0.5%	1.0%	1.6%	1.6%	1.0%	0.9%	0.7%	2.4%	0.7%	5.8%	0.6%	0.1%	18.1%
	£	0.4%	1.0%	1.6%	1.4%	1.0%	0.3%	0.6%	2.4%	0.7%	5.8%	0.6%	0.1%	17.1%
	Fr.	1.9%	0.9%	1.6%	1.6%	1.1%	0.8%	0.9%	2.5%	1.2%	5.9%	0.6%	0.1%	20.7%
<b>2015</b>	\$	-0.3%	6.0%	0.2%	0.1%	0.5%	2.5%	5.9%	0.4%	0.8%	1.3%	7.3%	3.7%	31.9%
	€	-0.4%	6.0%	0.1%	0.2%	0.4%	2.4%	5.6%	0.4%	1.5%	1.2%	7.5%	3.5%	31.9%
	£	-0.4%	5.8%	0.1%	0.2%	0.4%	2.4%	5.9%	0.4%	1.3%	1.3%	7.4%	3.8%	32.2%
	Fr.	-0.5%	6.0%	0.0%	-0.1%	0.2%	2.2%	5.6%	0.3%	1.2%	1.2%	7.4%	3.3%	29.8%
<b>2016</b>	\$	0.2%	0.4%	0.7%	3.0	1.6%	1.4%	0.1%	0.1%	0.5%	1.1%	1.0%	4.0%	15.1%
	€	0.2%	0.3%	0.6%	2.8	1.5%	1.5%	0.0%	0.0%	0.4%	0.7%	1.0%	3.8%	13.4%
	£	0.2%	0.4%	0.7%	2.9	1.6%	1.5%	0.1%	0.0%	0.4%	-0.9%	1.0%	4.0%	12.4%
	Fr.	0.1%	0.2%	0.5%	2.8	1.5%	1.2%	-0.1%	-0.1%	0.3%	0.6%	0.9%	3.0%	11.6%
<b>2017</b>	\$	0.2%	0.3%	0.5%	1.0%	1.2%	0.3%	0.9%	0.8%	1.0%	2.0%	2.0%	2.2%	13.1%
	€	0.1%	0.1%	0.2%	0.8%	1.1%	0.1%	0.8%	0.6%	0.8%	1.9%	1.7%	2.0%	10.6%
	£	0.1%	0.2%	0.3%	0.8%	1.1%	0.1%	0.8%	0.7%	0.9%	1.9%	1.8%	2.1%	11.4%
	Fr.	0.0%	0.1%	0.2%	0.7%	1.0%	-0.0%	0.7%	0.6%	0.8%	1.8%	1.7%	1.9%	9.9%
<b>US Feeder</b>					1.2%	0.2%	0.8%	0.8%	0.9%	1.9%	1.9%	2.1%	10.2%	
<b>2018</b>	\$	0.7%	1.8%	2.6%	1.6%	2.0%	1.0%	0.8%	0.3%	0.3%	0.0%	0.3%	-4.9%	6.4%
	€	0.4%	1.8%	2.4%	1.3%	2.3%	0.7%	0.4%	-0.1%	0.3%	-0.3%	-0.1%	-5.4%	3.5%
	£	0.6%	1.8%	2.4%	1.3%	1.9%	0.7%	0.7%	0.3%	0.1%	-0.2%	0.0%	-5.2%	4.3%
	Fr.	0.4%	1.7%	2.5%	1.3%	2.6%	0.5%	0.6%	-0.1%	-0.1%	-0.4%	-0.1%	-5.3%	3.4%
<b>US Feeder</b>	0.6%	1.8%	2.5%	1.6%	2.0%	0.9%	0.7%	0.2%	0.2%	-0.0%	0.2%	-5.0%	5.5%	
<b>2019</b>	\$	0.5%	0.7%	0.2%	0.2%	0.2%	0.5%	0.7%	1.6%	0.0%	1.4%	0.4%	1.2%	7.9%
	€	0.0%	0.6%	-0.1%	-0.2%	-0.2%	0.2%	0.3%	1.3%	-0.3%	1.0%	0.2%	1.9%	4.8%
	£	0.3%	0.4%	0.1%	-0.0%	-0.1%	0.3%	0.6%	1.5%	-0.2%	1.1%	0.2%	2.0%	6.4%
	Fr.	-0.1%	0.4%	-0.1%	-0.2%	-0.2%	0.1%	0.3%	1.2%	-0.3%	1.0%	0.0%	1.8%	4.0%
<b>US Feeder</b>	0.4%	0.6%	0.2%	0.2%	0.1%	0.5%	0.6%	1.6%	-0.0%	1.3%	0.3%	1.2%	7.1%	
<b>2020 BM Feeder</b>	\$	0.8%	0.3%	0.3%	0.4%	1.3%	0.7%	2.2%	1.3%	0.4%	0.3%	0.2%	0.9%	9.6%
	€	0.7%	1.9%	0.0%	0.2%	1.1%	0.8%	1.9%	1.2%	0.3%	0.2%	0.2%	0.7%	9.3%
	£	0.5%	0.1%	0.2%	0.3%	1.2%	0.6%	2.0%	1.2%	0.3%	0.2%	0.1%	0.8%	7.7%
	Fr.	0.4%	-0.0%	-0.0%	0.2%	1.1%	0.5%	1.9%	1.1%	0.2%	0.1%	-0.1%	0.7%	6.3%
<b>\$AUD</b>								1.0%	0.4%	0.3%	-0.0%	0.7%	2.4%	
<b>US Feeder</b>	0.8%	0.2%	0.3%	0.4%	1.2%	0.6%	2.2%	1.3%	0.3%	0.3%	0.1%	0.9%	8.9%	
<b>2021 BM Feeder</b>	\$	0.0%	0.4%	0.1%	0.4%	0.4%	0.4%	0.4%	2.1%	0.1%				4.4%
	€	-0.1%	0.2%	-0.1%	0.2%	0.3%	0.3%	0.3%	2.0%	-0.1%				3.0%
	£	-0.1%	0.4%	0.0%	0.3%	0.3%	0.4%	0.3%	2.1%	0.0%				3.8%
	Fr.	-0.2%	0.1%	-0.1%	0.2%	0.2%	0.2%	0.2%	2.0%	-0.1%				2.6%
<b>\$AUD</b>	-0.1%	0.3%	0.0%	0.2%	0.3%	0.2%	0.1%	2.0%	-0.1%				2.9%	
<b>US Feeder</b>	0.0%	0.4%	0.1%	0.3%	0.4%	0.4%	0.4%	2.1%	0.1%				4.2%	

### **Additional information for Qualified Investors in Switzerland**

The Fund is compliant with Swiss law for distribution to qualified investors in or from Switzerland.  
The Swiss representative is Fundbase Fund Services AG, Bahnhofstrasse 3, CH-8808 Pfäeffikon SZ.  
The Swiss paying agent is Neue Helvetische Bank Ltd., Seefeldstrasse 215, CH-8008 Zurich.

Investors in Switzerland can obtain the binding documents of the Fund, such as legal fund documents, audited annual reports, directors' reports and marketing material free of charge from the Swiss representative. This document may only be issued, circulated or distributed so as not to constitute an offering to the general public in Switzerland. Recipients of the document in Switzerland should not pass it on to anyone without first consulting their legal or other appropriate professional adviser, or the Swiss representative

## CONTACT

Tony Bremness, Managing Director

Skype. Tony.bremness

Email. [info@LaureolaAdvisors.com](mailto:info@LaureolaAdvisors.com)

Web. [www.LaureolaAdvisors.com](http://www.LaureolaAdvisors.com)

ISIN: BMG303201088  
Regulated by the Bermuda Monetary Authority  
Registered with the MAS (Singapore) and the FCA UK