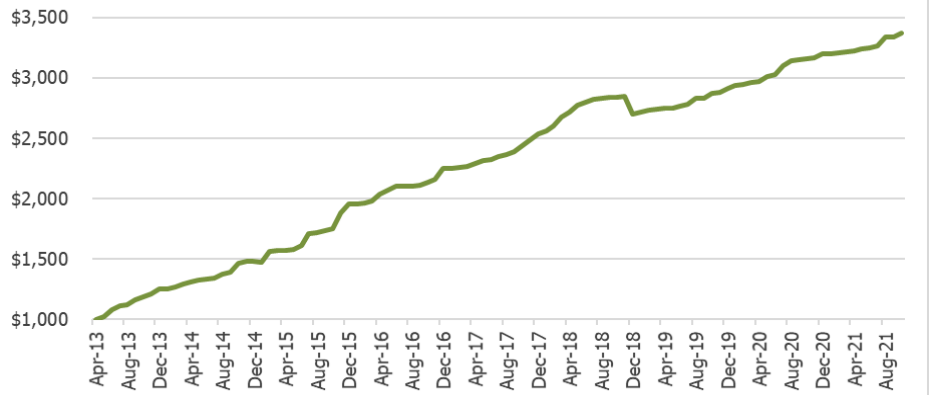




## FUND DETAILS

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%	1.0%			<b>5.5%</b>

## PERFORMANCE ANALYSIS (USD)

Current month: 1.0%  
 Year to Date: 5.5%

Compound Annual Growth Rate: 15.4%  
 Since Inception: 237%

Annual Cash Yield: 0% to 10%

Worst / Best month: -4.9% / 7.3%

Fund AUM (USD): \$ 64 ml  
 Advisor AUM (USD): \$ 77 ml

## THE INVESTMENT ENVIRONMENT

### Stocks Up; Bonds Flash Warning Signs

The S&P 500 was up 6.9% for October with many companies reporting better earnings (or fewer losses) than expected, compounded by bouts of speculative fervor in some sectors. Valuations are stretched enough to convince even Morgan Stanley to advise investors to resist buying US stocks and Treasuries.

But it was bond markets that gave the strongest signal of trouble ahead. Bond traders forced up yields essentially daring to fight the Fed and other Central Banks who claim that the current 5% to 6% inflation is transitory. The respected market analyst El-Erian was more articulate saying "It is going to go down in history as one of the worst inflation calls by the Federal Reserve".

Yields on 2-year treasuries went from 0.27% to 0.50%. The auction of 30-year treasuries was the rockiest in a decade due to reduced liquidity in the world's most liquid market. The volatility created \$1 bn of losses in the NY based macro fund Element Capital. Bond markets were volatile in Australia and Canada, and, in China, the country's largest developer saw its bond yields spike to 9.5% from 3.25% during October.

Evidence of speculation, volatility, and price dislocation are increasing. No one can predict how the 13-year ZIRP and QE experiments will end, but it is unlikely to end quietly or happily. Investors seeking a safe refuge in these uncertain times are placing increasing value on the genuine stability and diversification offered by Life Settlements.

## CONTACT

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## LAST MONTH IN THE LIFE SETTLEMENT MARKETS

### **LS Markets Stable: Protests in Canada?**

Most would consider the phrase “Canadian protest” to be a contradiction in terms, but there are exceptions to every rule and this one has important lessons for Life Settlements. Ontario, Canada’s most populous Province, does not currently allow an insured to settle his or her policy. Warren Horowitz, a Canadian gentleman confined to a wheelchair due to MS, would like to sell his life insurance policy to fund a better lifestyle and more care for himself as he could do in the USA. Despite the Canadian weather, he has staged a daily protest in the wheelchair outside of the legislature over the past three weeks to get a meeting with the Premier of Ontario. The Government’s reaction has been to rescind his pass to use the handicap-accessible restroom in the building, and the next closest one is 40 minutes away.

The proposed legislation is stalled. Coincidentally, the Ontario Minister of Finance overseeing the legislation, used to be a senior executive of a leading Canadian Insurance company.

Some investors struggle with Life Settlement’s connection to mortality; they may want to contemplate the case of Mr. Horowitz. LS investors are prepared to purchase the policy well above surrender value, provide liquidity when the insured needs it, and be part of the solution for a better life for the insured; LS investors are not the bad guys. It is other parties who are acting against the best interests of the insured.

## THE PORTFOLIO – RECENT ACTIVITY

### **A Strong Month: Portfolio Well Positioned**

The Laureola (Bermuda Feeder) Fund returned 1% in October and is now up 5.5% ytd over 10 months. The strong October performance was the result of the maturity of one larger policy and two smaller policies. The portfolio has now experienced 25 maturities in the 10 mos. to October 31 which compares favourably to 2020 when the portfolio experienced fewer policies (22) for the entire year.

The factor which has held back ytd returns in 2021 is the average size of the maturities. In 2020, the average size of the 22 policies was \$900k; in 2021 ytd it has been \$590k, and this explains why the ytd performance figure is slightly behind expectations. The Fund has experienced the right number of policies to deliver the expected annual returns, but the policies have been below average size.

There is a degree of statistical randomness in terms of which policies mature, especially over a short period of time and in smaller portfolios. There is also the possibility that the Manager has poor selection, but as the same portfolio managed by the same Manager performed above average last year, the most probable explanation may be randomness.

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In any case, the year is not finished – there are two months to go. The portfolio has 172 policies with 1/3<sup>rd</sup> of them having short or very short Life Expectancies, including several larger policies. As October has shown, the returns from the Laureola strategy will be “lumpy” and can come at any time.

Investors can take encouragement from the fact that all of the returns over the past two years – 100% - have come from realised gains. This important metric is what ensures that the returns will be non-correlated, providing diversification and stability to portfolios even in troubled times for the economy, the stock markets, or the credit markets.

**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</b> BM Feeder	\$	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</b> BM Feeder	\$	0.0%	0.4%	0.1%	0.4%	0.4%	0.4%	0.4%	2.1%	0.1%	1.0%			5.5%
	€	-0.1%	0.2%	-0.1%	0.2%	0.3%	0.3%	0.3%	2.0%	-0.1%	0.9%			3.9%
	£	-0.1%	0.4%	0.0%	0.3%	0.3%	0.4%	0.3%	2.1%	0.0%	0.9%			4.7%
	Fr.	-0.2%	0.1%	-0.1%	0.2%	0.2%	0.2%	0.2%	2.0%	-0.1%	0.8%			3.4%
<b>\$AUD</b>	-0.1%	0.3%	0.0%	0.2%	0.3%	0.2%	0.1%	2.0%	-0.1%	0.8%			3.8%	
<b>US Feeder</b>	0.0%	0.4%	0.1%	0.3%	0.4%	0.4%	0.4%	2.1%	0.1%	1.0%			5.2%	

### **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

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