

➤ **EEA Announcement**

EEA have [announced](#) confirmation that they will make redemption payments of \$102m to Run-off shareholders during December. Payments will be made no later than 8th January 2016. Please [Click Here](#) for our annotated version of the EEA announcement, and [Click Here](#) for the media release that we have issued today, summarising our views on the situation.

Note that in spite of the fact that EEA still refer to these payments as “Distributions” (which taxation authorities treat as “Income”) they are in fact redemptions of capital, to be treated as Capital Gains or Losses as appropriate.

➤ **Investor Information Meetings**

During this past week we have held meetings with investors and IFAs in Daventry, Solihull, Chester, Gateshead, Leeds, Doncaster and Newark covering the history of the EEA Fund to date and why we're in the position that we are in, the current status of the recent policy sale, proposed share sale, the upcoming redemption payments for Continuing and Run-off shareholders. We also outlined the proposed activities and funding of the EEA Litigation Group (EEALIT) which is now underway (see below). Thank you very much to those who attended and/or hosted the meetings – your support and encouragement is much appreciated.

We are making arrangements for further meetings in the New Year. If you haven't already done so, then please click on the links below to book your places.

- [Swindon, Bristol and SouthWest](#) : 4th – 8th Jan
- [SouthWales](#) : 4th – 8th Jan
- [East](#) (Cambridge, Norfolk , Suffolk , Essex) : 11th – 14th Jan
- [HC North](#) (Bucks, Beds, Herts, Middx, N. London) : 15th – 20th Jan
- [HC South](#) (Berks, Hants , IoW , Dorset , Surrey , Kent , Sussex) : 21st – 25th Jan
- [North & Scotland](#) (Cumbria, Glasgow, Edinburgh, Borders) : 26th – 30th Jan

➤ **Litigation Group**

We will shortly be distributing confidential information to everyone who has registered their interest in the EEA Litigation Group (EEALIT). This will include the necessary joining form and subscription information. If you haven't yet registered then please do so now by sending an email to Litigation@EEAInvestors.com . There is no obligation to join but the sooner you do so then the sooner that we can get the legal research and investigations underway. We will also be contacting many IFAs and other organisations to spread the word and increase the number of investors who subscribe to the Litigation Group. If you have any questions then please send an email to the same address.

➤ **Continuing Share Redemption Requests – DEADLINE for NEW REQUESTS**

If you requested to redeem some or all of your Continuing shares for the 31st December Redemption Day (requests had to be submitted to Guernsey by 25th September 2015) then you DON'T need to do anything further. You will receive your redemption payments (as described above) and any residual proportion of the requested shares will be automatically carried over (with priority) to the 31st March Redemption Day.

CAUTION – Even if you DID register a Redemption Request for December but subsequently transfer the residual shares (e.g. from a platform, Bond, Policy, Estate,

Trust or Pension Plan) to yourself or someone else then you need to take **SPECIAL STEPS** to preserve the status and priority for the outstanding request.

If you DIDN'T submit a Redemption Request for December, but would now like to do so for the 31st March Redemption Day, then the new request must be received in Guernsey by 5:00pm on Thursday 24th December, or preferably a day or two before.

If your shares are held directly with EEA then fill in and send **THIS FORM** to Guernsey before the deadline. If your shares are held via a platform, nominee, trustee or pension plan then you need to contact them to make the request to Guernsey, but allow extra time and ensure that you get some form of confirmation or acknowledgement that the request has been registered by EEA/IAG in Guernsey.

In our view, **every Continuing shareholder should be requesting a full redemption at the earliest opportunity**. It's a complex topic which we would be happy to discuss with you or your Advisor in more detail.

➤ **Financial Service Compensation Scheme (FSCS)**

Until now investors who have claimed against the UK FSCS (because their IFA is no longer trading or solvent) have received an interim payment (maybe) but the main claim has been "suspended" until you can crystallise the ultimate loss (in 5-10 years time) and FSCS can calculate any final payment. Since you will shortly be receiving "final" redemptions for a significant proportion of your EEA shares (typically 3% + 29% for Run-off, 5% + 25-75% for Continuing depending on circumstances) then you ought to be able to resubmit your claim for a crystallised loss related to the redeemed shares, and a potential interim payment for the remaining shares. We'll dig into this prospect a bit deeper and update you in the New Year, once the current redemptions are completed and "in the bank".

➤ **Donations**

As you know, we run this Group on a shoestring, and we now need some more elastic.

- a) We have increased the suggested voluntary donation from 0.1% to 0.2% (£2, \$2, €2 or 2kr per £1000, \$1000, €1000 or 1000kr of original investment). Please top-up your contribution via the DONATE button at www.EEAInvestors.com at your earliest convenience or ask me for details if you prefer to pay by cheque or bank transfer.
- b) Alternatively, if you have received a significant award (in cash) from an IFA, FOS or FSCS claim then please make a bigger donation (up to £1000 or equivalent) for the benefit of the rest of us as you head off into the sunset with your hard won proceeds.
- c) If you decide to subscribe to the EEALIT Litigation Group then you can make a 0.2% deduction as part of your initial subscription and don't need to make any further donations.

➤ **2015 Fund Performance**

One further maturity (\$200k) has been reported for December 2014 plus three policies (one life - \$3.25m) in November. Nothing reported so far for December.

Description	Policies	Lives	Gross NDB
<i>Historic Average Jan-Mar</i>	22.7	17.8	\$30.00m
<i>April-June</i>	20.5	15.8	\$30.80m
<i>July - Sept</i>	16.8	13.3	\$30.5m
<i>October</i>	3.8	3.5	\$5.4m
<i>November</i>	6.7	6.2	\$8.5m
Total Jan - Oct	70.5	56.7	\$105.4m
2015 Actual Jan - Mar	13	11	\$ 11.33m
April - June	10	10	\$36.15m
July - Sept	9	8	\$30.65m
October	1	1	\$0.18m
November	6	4	\$4.4m
Sub-total Jan – Oct	38	34	\$83.86m
Late Posts from 2014	5	3	\$7.95m
Termination of Cover	1	1	\$(0.50m)
Policy Sale	188	Est 145	Est (\$418m)
Totals 2015 to Date	226	Est 183	Est (\$335m)

EEA=\$80m. ML F'cast=\$46m
 Maple Life F'cast = \$33.3m
 ML F'cast July- Dec = \$68m
 ML F'cast Oct – Dec \$17.5m
 ML F'cast Jan- Dec = \$147.5m
 To be Confirmed

Cash b/f from 31st Dec 2014	\$134.07m
Estimated Premium Payments, Expenses & Other	\$(85.00)m
Continuing share redemptions (Feb)	\$(4.09)m
Gross Income (NDB) from Maturities	\$92.00m
Adjustments and Other Items (Feb)	\$6.50m
Other Adjustments	\$16.31m
Policy Sale	\$130m
Estimated Cash Balance at 30th Nov 2015	\$290m

To be Confirmed
 Estimated 2-year Premium Reserve (Post Policy Sale) = \$60m
 Estimated Current Available Cash = \$225m (38% of NAV)

Don't hesitate to contact me if you need clarification or further information on any topic. Note that I don't provide advice – just information and personal opinions.

David Trinkwon

Director, Medley Systems Ltd
 Coordinator – EEA Investors' Group

Tel : +44 (0) 7802 538315
 Skype : david.trinkwon