

WARNING : Information in this update could damage your Wealth.
Please read the disclaimer at the end. See also the Corrections on Page 6

1) Secondary Share Sale

See the Appendix A for more details. Following are the highlights and my comments.

Tullett Prebon Alternative Investments (TPAI)

TPAI announced their “strike price” on Thursday 26th May 2016. Their buyers will pay at least 26.69% of the 31st March EEA NAV for all classes of Run-off shares. If over-subscribed, TPAI will allocate the available purchase *pro-rata* at the strike price. Sellers must accept the offer by Friday 24th June (but earlier deadline dates might apply via intermediaries). If you wish to sell through TPAI but haven't registered with them (yet) then you can place your shares through Charles Stanley, as explained in the Appendix.

DT Comment : This is a “dismal” offer, even for a “distressed” sale to hedge funds. EEA would probably say that it's all my fault for constantly undermining the valuation of the Fund. In my (very humble) opinion, the “market” has spoken. The very clever and professional buyers behind TPAI have either concluded for themselves that the EEA valuations are overblown (again) or simply that EEA does not provide enough (or credible) information about future prospects to enable a more accurate assessment. Risk and uncertainty always translates into a lower offer price. Or maybe the buyers have priced it low to discourage any sellers from actually taking up the offer.

Private Investors

Two private investors had intended to offer a premium to the TPAI strike price for buying Run-off shares, but after TPAI announced their strike price, one buyer changed their mind and is now ONLY offering to buy Continuing shares for 37.5% of the 31st March EEA NAVs. These buyers are NOT bound by the TPAI deadlines and do not require an intermediary to register your interest. I am also aware of a third potential buyer who has decided NOT to make offers at present.

DT Comment : I will work with these (and any other private buyers who come forward, including the TPAI buyers if they wish) to try and enhance their understanding of the EEA valuations and potentially improve their offers to make a more attractive and ongoing secondary market for both Run-off and Continuing shares.

2) EEA Redemptions

The next scheduled Redemption Date for both Run-off and Continuing shareholders is 30th June 2016. Based on current data EEA should redeem at least 10-15% of Run-off and (requested) Continuing shares. Investors who sell their shares through TPAI or the private buyers need to understand who will receive these payments. EEA have a history of changing Redemption Dates, valuation methods or premium reserve assumptions at short (or no) notice, significantly impacting the redemptions for investors. EEA have added further confusion in a recent [press comment](#) where the Board said it expects to have an extra £96.1 million in cash available later in the year, some of which will be used for a further distribution in November.

DT Comment : It is critical for potential buyers and sellers to know where they stand on upcoming redemption amounts and dates in order to make rational decisions on what to do about their investments. I can't yet reconcile EEA's statement about \$96.1m of "extra cash" later this year and a November redemption date. I have written to EEA (See Appendix B) requesting further information and clarification.

3) What Happens If You Don't Sell Your Shares

Your shares will continue to accrue cash from ongoing maturities (less premium payments and expenses). Continuing shareholders who have (or will shortly) request redemptions should receive payments totalling 95 – 105% of the current NAV over the next 1-8 quarters, depending on the maturity performance of the Fund. Other remaining shareholders (the 90% + majority) will only ever receive up to 85% of the current NAVs over 5-10 years (by my estimation based on current EEA data) creating a further 15% loss of capital on top of the 5-40% losses already incurred (depending on when you originally invested and in which currency). Continuing shareholders who do NOT request redemptions will probably see their portion of the accrued cash reinvested in shares of EEA's new Irish Fund (or elsewhere) where the eventual returns will be dependent on the performance and costs of that Fund over a further number of years.

DT Comment : Many investors (and their advisors) are still believing – or hoping – that they will eventually get "all their money back" (meaning their original investment amounts). You won't, and it will get worse as time goes on. You have already lost (on average) about 20% of your original investment, and the 2015 Policy Sale has lost you a further \$47 per share of future NAV, even though it gave a welcome boost to the recent redemption payments in January 2016. EEA's current valuations and lack of credible maturity or run-off projections means that everyone is "sailing blind" but is trapped within the flawed restructuring which EEA forced on us with misleading warnings of "liquidation and huge capital losses" (and with the approval of the Guernsey Regulator) in 2013. Investors have no viable way of avoiding these losses (and probably more to come).

4) What You Should Do Next – Run-off Investors

- a) Seek clarification about the June Redemption Date and payments, and whether they would accrue to the seller or the buyer if you are considering selling your shares through TPAI or a private buyer.
- b) Ditto the "newly announced" \$96m of "extra cash" and November Redemption Date statement attributed to the EEA Board in last Thursday's article, mentioned above.
- c) If you are desperate for immediate cash, or want to get out of the EEA mess "as soon as possible at any price" then sell your shares through a private buyer (or TPAI by the 24th June deadline), otherwise hold on to your shares for future redemption payments over 5-10 years.
- d) Join EEALIT (if you haven't already done so) to try and recover as much as possible of your capital losses and expected returns based on EEA's target of 8% pa which they (allegedly) missed through negligence, misrepresentation and abuse of position over many years.

5) What You Should Do Next – Continuing Investors

- a) If you have already requested 100% redemption in December, March or for the June 2016 Redemption Date then seek clarification about the June Redemption Date and payments, and whether they would accrue to the seller or the buyer if you are considering selling your shares through a private buyer.
- b) If you haven't already requested 100% redemption then do so by 24th June for the 30th September Redemption Date (and onwards). This will prevent your portion of the accrued cash being reinvested in the new Irish Fund or elsewhere and secure better cash returns than waiting for future NAVs to fall as a result of the 2015 Policy Sale.
- c) If you are desperate for immediate cash, or want to get out of the EEA mess "as soon as possible at any price" then sell your shares to a private buyer
- d) Join EEALIT (if you haven't already done so) to try and recover as much as possible of your capital losses and expected returns based on EEA's target of 8% pa which they (allegedly) missed through negligence, misrepresentation and abuse of position over many years.

6) What You Should Do Next – Financial Advisors and Intermediaries

Stop telling your investor clients that everyone will die eventually and that they will get "all their money back" from EEA. The former is true, but not the latter. Tell the investors about the EEA Investors' Group and EEALIT so that they can make up their own minds about who to believe and what to do, Consider making a generous donation to the Investors Group and/or EEALIT so that we can continue to hold EEA plus the Guernsey Auditor and Regulator to account. If you're worried about your PI Insurer or possible mis-selling claims (now time-barred in almost all cases) then send the investor's name(s) and email address(es) to our confidential hotline@EEAInvestors.com or via SMS to +44 (0) 7802 538315 and we will do the rest, without identifying the source.

7) Auditor and Regulator

Earlier in May we sent [this letter](#) to EEA's Auditor Grant Thornton and [this letter](#) to EEA's Regulator GFSC. We will only know of Grant Thornton's "response" when we see the 2015 Audit Report due to be published by 30th June 2016.

GFSC have responded

" Our focus remains on the ongoing monitoring of the Guernsey parties and, as you recognise, this is not something we can discuss with you. I do, however, acknowledge your kind offer...we will not be responding to your [future] correspondence, should you wish to send any. I do hope you will gain considerable assurance from the time we have spent engaging with you on your representations. As I think you have acknowledged in our discussions, we have conducted our own independent enquiries. In our ongoing work, please be assured that all actions will continue to be considered on the basis of the facts as they exist and that we will not lose sight of this fund. I wish you the very best for the future."

If you wish to email the Auditor and/or Regulator in support of our positions then the email addresses are Cyril.Swale@gt-ci.com and MLepage@gfsc.gg respectively.

8) 2016 EEA Fund Performance to Date

The EEA Fund was only able to fulfil such a large volume of redemption payments in January (\$190m) with the significant contribution (\$130m + \$20m) from the liquidation of policies in 2015. The March 2016 redemption payments for Continuing shareholders amounted to less than \$10m. Total redemption payments have also been reduced by \$20-30m because of a subtle change in the assumptions used by EEA to calculate the two-year premium reserve. Policy Maturities to the end of April are below the historic averages, although the maturity values per policy (or life) are now higher than in the past. There have been no maturities reported so far for May and the NAVs for the end of April are 4-5% lower than at the end of March 2016 – I'm not sure why yet.

Description	Policies	Lives	Gross NDB
<i>Historic Average Jan</i>	7.5	6.7	\$7.0m
<i>Feb</i>	8.0	5.0	\$7.2m
<i>Mar</i>	7.2	6.2	\$15.7m
<i>April</i>	5.9	5.1	\$11.1m
Total Jan - Apr	28.6	23.0	\$41.0m
2016 Actual Jan	4	3	\$ 11.3m
Feb	4	1	\$12.1m
Mar	3	3	\$6.9m
April	8	3	\$3.6m
Totals 2016 to 30th April	19	10	\$33.9m

9) EEA INVESTORS NEED EEALIT – NOW...

...and EEALIT needs EEA Investors - NOW

EEALIT is the separate litigation group that has been set up to try and recover investor losses caused by the alleged negligence, misrepresentation and abuse of position by EEA and relevant parties over the ten years since inception. Many EEA investors have now joined and paid their subscriptions, but many more are still sitting on the fence, believing or hoping that they will eventually “get their money back” from EEA. Most financial advisors and other intermediaries are also holding back information from investors because of various concerns or restrictions, hoping that the problems will somehow go away. As mentioned above, Investors WON'T get “all their money back from EEA” and the situation will almost certainly get worse, as evidenced by the dismal valuations put on EEA shares by the potential buyers. EEALIT is now the ONLY hope that investors have for recovering some or their current losses and limiting any further losses. For more information please visit the EEALIT website www.EEALIT.com or email info@EEALIT.com

DISCLAIMER : Note that I'm still not an expert or an auditor or a lawyer or a (regulated) financial advisor and I don't provide financial or legal advice – just information and personal opinions. I often disagree with EEA (and they disagree with me) and EEA state that investors should only rely on information provided by themselves or a regulated professional advisor – if you have one. Don't hesitate to contact me if you have any questions or need further information or clarification on any EEA related matter.

David Trinkwon

Director, Medley Systems Ltd
Coordinator – EEA Investors' Group

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SECONDARY SHARE SALE**TULLETT PREBON (TPAI)**

Tullett Prebon have now announced their "Strike Price" of 26.69% of the 31st March NAV per share for each Run-off Cell.

(NOTE : TPAI will NOT currently offer to buy Continuing shares)

TPAI Strike Price Definition: The Strike Price is the minimum price you can expect to receive for your shares if you choose to sell.

Note : In the event that supply exceeds demand, a subsequent announcement will be made within two working days following 24th June 2016. This will give each Seller the opportunity to accept the purchase of their shares on a pro-rata basis. For example, if demand is \$2 and supply is \$4, there is only enough demand to cover 50% of the supply. As a result in this example each Seller would only be able to sell 50% of their shares in the EEA Secondary Sales Process.

Next Step: To place your sell order through TPAI, instruct your intermediary to reply to TPAI and include the phrase "*I wish to sell my shares in the EEA Run-Off Cells at a minimum price of 26.69% of the 31st March 2016 NAV*" by the 24th of June 2016.

Further steps: TPAI will reply to your intermediary with a list of the shareholdings that they have on file for you to confirm the sell order. The sale of your shares via the EEA Secondary Sales Process on the basis set out above remains subject to satisfactory completion of purchase and transfer documentation by both you and the buyers and acceptance of the transfer instruction by EEA. *(my addition)*

You can only sell your shares through TPAI if you previously registered with them via your registered Financial Advisor or other intermediary. If not then you can sell your shares to TPAI through **Nick Green** at **Charles Stanley (Norwich)**. You will need to open an execution only account with Charles Stanley and fees might be payable.

Contact : Nick.Green@charles-stanley.co.uk Tel : +44 1473 297700

You should confirm with TPAI or Charles Stanley whether your sale will go through before or after any imminent redemption payments by EEA.

PRIVATE BUYERS

Buyer A : Has now decided **not** to buy Run-off shares but is offering to buy a limited number of shares from the Continuing cells at 37.5% of the 31st March NAV. The buyer is represented by Ravenscroft stockbrokers in Guernsey, who will buy the shares on a first come first served basis. If you hold Continuing shares and wish to sell to this buyer, please ask your platform or financial institution to contact Ravenscroft. If you hold your shares directly with EEA, you can open an execution only account with Ravenscroft, which will incur fees of approximately 1.5%.

You should confirm with Ravenscroft whether your sale will go through before or after any imminent redemption payments by EEA. Buyer A has set a deadline for offers to sell of Monday 27th June 2016.

Contact info :

Ravenscroft Stockbrokers (Guernsey Company Number 42906)

P.O. Box 222, The Market Buildings

Fountain Street, St. Peter Port

Guernsey, GY1 4JG

gdealing@ravenscroft.gg Tel : +44 (0)1481 729100 web : www.ravenscroft.gg

For questions, please contact Head of Trading **Dale Acton** DActon@ravenscroft.gg or **Jake Le Marchant** JLeMarchant@ravenscroft.gg

Buyer B : Southey Capital Ltd (London) is willing to buy Run-off shares and Continuing shares. Please contact Robert Southey rs@southeycapital.com
Tel : +44 203 745 7940 web : <http://southeycapital.com/en/EEAinvestors/>

Southey is an FCA registered broker specialising in bankrupt or illiquid assets. They offer a brokerage service not tied to any end investor. ~~Southey are also able to sell your Run-off shares through TPAI if applicable.~~ [Correction – 31st May 2016]

NOTE : All sales and the subsequent transfer of shares (through TPAI or the Private Buyers) are subject to acceptance and confirmation by EEA.

The EEA Directors may in their discretion and without assigning any reason decline to register a transfer of shares in certain circumstances. The particular circumstances in which the Directors may decline to register a transfer of shares are set out in the [Fund's Articles of Incorporation](#), and some of the key provisions are summarised in the [Fund's Information Memorandum](#).

Summary tables for the three buyers follow. These are subject to change or correction at any time and you should check with the buyer(s) concerned before confirming any offer to sell.

TPAI Offer - Based on 31st March 2016 EEA NAV			Offer		Cash Value			Redemption Value	
Run-off Cell Name	ISIN code	Currency	NAV Per Share	Offer Price	Per Share	Per 100 Shares	Per 1000 Shares	% of NAV	Per Share
USDClass X	GG00BMNR0G75	USD	\$110.04	26.69%	\$29.37	\$2,937	\$29,370	85%	\$93.53
USD Fund Dist	GG00BMNR0N43	USD	\$69.81	26.69%	\$18.63	\$1,863	\$18,632	85%	\$59.34
USD Fund Acc	GG00BMNR0S97	USD	\$82.96	26.69%	\$22.14	\$2,214	\$22,142	85%	\$70.52
USD Fund Class I	GG00BMNR0H82	USD	\$88.82	26.69%	\$23.71	\$2,371	\$23,706	85%	\$75.50
Swedish Krona Class X	GGOOBMNR0L29	SEK	82.76 kr	26.69%	22.09 kr	2,209 kr	22,089 kr	85%	70 kr
Euro Class X	GG00BMNR0J07	EUR	€ 113.87	26.69%	€ 30.39	€ 3,039	€ 30,392	85%	€ 96.79
Euro Fund Dist	GG00BMNR0P66	EUR	€ 77.70	26.69%	€ 20.74	€ 2,074	€ 20,738	85%	€ 66.05
Euro Fund Acc	GG00BMNR0R80	EUR	€ 80.31	26.69%	€ 21.43	€ 2,143	€ 21,435	85%	€ 68.26
Euro Class Y	GGOOBMNR0F68	EUR	€ 75.35	26.69%	€ 20.11	€ 2,011	€ 20,111	85%	€ 64.05
GBP Class X	GG00BMNR0K12	GBP	£100.98	26.69%	£26.95	£2,695	£26,952	85%	£85.83
GBP Dist	GG00BMNR0M36	GBP	£75.69	26.69%	£20.20	£2,020	£20,202	85%	£64.34
GBP Acc	GG00BMNR0Q73	GBP	£113.65	26.69%	£30.33	£3,033	£30,333	85%	£96.60
Meteor SLS	GG00BMNR0T05	GBP	£104.58	26.69%	£27.91	£2,791	£27,912	85%	£88.89
Meteor SLS Fund II	GG00BMNR0V27	GBP	£93.67	26.69%	£25.00	£2,500	£25,001	85%	£79.62
Way LS Fund	GGOOBMNR0W34	GBP	£91.10	26.69%	£24.31	£2,431	£24,315	85%	£77.44
Continuing Cell Name									
USDClass X	GBOOBOMT9309	USD	\$110.95	TPAI Buyers Not Currently Bidding				95%	\$105.40
USD Fund Dist	GGOOB2NW9S76	USD	\$70.32					95%	\$66.80
USD Fund Acc	GG00B4TH5937	USD	\$83.69					95%	\$79.51
Swedish Krona Class X	GG00B5ZV4552	SEK	84.65 kr					95%	80 kr
Euro Class X	GBOOBOMT9184	EUR	€ 115.17					95%	€ 109.41
Euro Fund Dist	GGOOB1 JROT74	EUR	€ 78.77					95%	€ 74.83
Euro Fund Acc	GGOOB5L4FL18	EUR	€ 81.63					95%	€ 77.55
GBP Class X	GGOOB2NBJC85	GBP	£101.15					95%	£96.09
GBP Dist	GBOOBOMT2Q49	GBP	£75.72					95%	£71.93
GBP Acc	GGOOB1P8D518	GBP	£113.70					95%	£108.02
Meteor SLS	GGOOB2PQD184	GBP	£104.55					95%	£99.32
Meteor SLS Fund II	GGOOB3DHPP87	GBP	£93.66					95%	£88.98
Way LS Fund	GGOOB3KNO211	GBP	£89.47					95%	£85.00

Buyer A Offer - Based on 31st March 2016 EEA NAV			Offer		Cash Value			Redemption Value		
Run-off Cell Name	ISIN code	Currency	NAV Per Share	Offer Price	Per Share	Per 100 Shares	Per 1000 Shares	% of NAV	Per Share	
USDClass X	GG00BMNR0G75	USD	\$110.04	Buyer A Not Currently Bidding				85%	\$93.53	
USD Fund Dist	GG00BMNR0N43	USD	\$69.81					85%	\$59.34	
USD Fund Acc	GG00BMNR0S97	USD	\$82.96					85%	\$70.52	
USD Fund Class I	GG00BMNR0H82	USD	\$88.82					85%	\$75.50	
Swedish Krona Class X	GG00BMNR0L29	SEK	82.76 kr					85%	70 kr	
Euro Class X	GG00BMNR0J07	EUR	€ 113.87					85%	€ 96.79	
Euro Fund Dist	GG00BMNR0P66	EUR	€ 77.70					85%	€ 66.05	
Euro Fund Acc	GG00BMNR0R80	EUR	€ 80.31					85%	€ 68.26	
Euro Class Y	GG00BMNR0F68	EUR	€ 75.35					85%	€ 64.05	
GBP Class X	GG00BMNR0K12	GBP	£100.98					85%	£85.83	
GBP Dist	GG00BMNR0M36	GBP	£75.69					85%	£64.34	
GBP Acc	GG00BMNR0Q73	GBP	£113.65					85%	£96.60	
Meteor SLS	GG00BMNR0T05	GBP	£104.58					85%	£88.89	
Meteor SLS Fund II	GG00BMNR0V27	GBP	£93.67					85%	£79.62	
Way LS Fund	GG00BMNR0W34	GBP	£91.10					85%	£77.44	
Continuing Cell Name										
USDClass X	GBOOBOMT9309	USD	\$110.95		37.50%	\$41.61	\$4,161	\$41,606	95%	\$105.40
USD Fund Dist	GG00B2NW9S76	USD	\$70.32	37.50%	\$26.37	\$2,637	\$26,370	95%	\$66.80	
USD Fund Acc	GG00B4TH5937	USD	\$83.69	37.50%	\$31.38	\$3,138	\$31,384	95%	\$79.51	
Swedish Krona Class X	GG00B5ZV4552	SEK	84.65 kr	37.50%	31.74 kr	3,174 kr	31,744 kr	95%	80 kr	
Euro Class X	GBOOBOMT9184	EUR	€ 115.17	37.50%	€ 43.19	€ 4,319	€ 43,189	95%	€ 109.41	
Euro Fund Dist	GG00B1 JROT74	EUR	€ 78.77	37.50%	€ 29.54	€ 2,954	€ 29,539	95%	€ 74.83	
Euro Fund Acc	GG00B5L4FL18	EUR	€ 81.63	37.50%	€ 30.61	€ 3,061	€ 30,611	95%	€ 77.55	
GBP Class X	GG00B2NBJC85	GBP	£101.15	37.50%	£37.93	£3,793	£37,931	95%	£96.09	
GBP Dist	GBOOBOMT2Q49	GBP	£75.72	37.50%	£28.40	£2,840	£28,395	95%	£71.93	
GBP Acc	GG00B1P8D518	GBP	£113.70	37.50%	£42.64	£4,264	£42,638	95%	£108.02	
Meteor SLS	GG00B2PQD184	GBP	£104.55	37.50%	£39.21	£3,921	£39,206	95%	£99.32	
Meteor SLS Fund II	GG00B3DHPP87	GBP	£93.66	37.50%	£35.12	£3,512	£35,123	95%	£88.98	
Way LS Fund	GG00B3KNO211	GBP	£89.47	37.50%	£33.55	£3,355	£33,551	95%	£85.00	
Buyer B Offer - Based on 31st March 2016 EEA NAV										
Run-off Cell Name	ISIN code	Currency	NAV Per Share	Offer Price	Per Share	Per 100 Shares	Per 1000 Shares	% of NAV	Per Share	
USDClass X	GG00BMNR0G75	USD	\$110.04	33.00%	\$36.31	\$3,631	\$36,313	85%	\$93.53	
USD Fund Dist	GG00BMNR0N43	USD	\$69.81	33.00%	\$23.04	\$2,304	\$23,037	85%	\$59.34	
USD Fund Acc	GG00BMNR0S97	USD	\$82.96	33.00%	\$27.38	\$2,738	\$27,377	85%	\$70.52	
USD Fund Class I	GG00BMNR0H82	USD	\$88.82	33.00%	\$29.31	\$2,931	\$29,311	85%	\$75.50	
Swedish Krona Class X	GG00BMNR0L29	SEK	82.76 kr	33.00%	27.31 kr	2,731 kr	27,311 kr	85%	70 kr	
Euro Class X	GG00BMNR0J07	EUR	€ 113.87	32.00%	€ 36.44	€ 3,644	€ 36,438	85%	€ 96.79	
Euro Fund Dist	GG00BMNR0P66	EUR	€ 77.70	32.00%	€ 24.86	€ 2,486	€ 24,864	85%	€ 66.05	
Euro Fund Acc	GG00BMNR0R80	EUR	€ 80.31	32.00%	€ 25.70	€ 2,570	€ 25,699	85%	€ 68.26	
Euro Class Y	GG00BMNR0F68	EUR	€ 75.35	32.00%	€ 24.11	€ 2,411	€ 24,112	85%	€ 64.05	
GBP Class X	GG00BMNR0K12	GBP	£100.98	32.00%	£32.31	£3,231	£32,314	85%	£85.83	
GBP Dist	GG00BMNR0M36	GBP	£75.69	31.00%	£23.46	£2,346	£23,464	85%	£64.34	
GBP Acc	GG00BMNR0Q73	GBP	£113.65	32.00%	£36.37	£3,637	£36,368	85%	£96.60	
Meteor SLS	GG00BMNR0T05	GBP	£104.58	32.00%	£33.47	£3,347	£33,466	85%	£88.89	
Meteor SLS Fund II	GG00BMNR0V27	GBP	£93.67	31.00%	£29.04	£2,904	£29,038	85%	£79.62	
Way LS Fund	GG00BMNR0W34	GBP	£91.10	31.00%	£28.24	£2,824	£28,241	85%	£77.44	
Continuing Cell Name										
USDClass X	GBOOBOMT9309	USD	\$110.95	Contact Buyer B Southey Capital +44 (0) 203 745 7940 For Quote				95%	\$105.40	
USD Fund Dist	GG00B2NW9S76	USD	\$70.32					95%	\$66.80	
USD Fund Acc	GG00B4TH5937	USD	\$83.69					95%	\$79.51	
Swedish Krona Class X	GG00B5ZV4552	SEK	84.65 kr					95%	80 kr	
Euro Class X	GBOOBOMT9184	EUR	€ 115.17					95%	€ 109.41	
Euro Fund Dist	GG00B1 JROT74	EUR	€ 78.77					95%	€ 74.83	
Euro Fund Acc	GG00B5L4FL18	EUR	€ 81.63					95%	€ 77.55	
GBP Class X	GG00B2NBJC85	GBP	£101.15					95%	£96.09	
GBP Dist	GBOOBOMT2Q49	GBP	£75.72					95%	£71.93	
GBP Acc	GG00B1P8D518	GBP	£113.70					95%	£108.02	
Meteor SLS	GG00B2PQD184	GBP	£104.55					95%	£99.32	
Meteor SLS Fund II	GG00B3DHPP87	GBP	£93.66					95%	£88.98	
Way LS Fund	GG00B3KNO211	GBP	£89.47					95%	£85.00	

APPENDIX B
EMAIL TO EEA

From: David Trinkwon [mailto:David.Trinkwon@gmail.com]
Sent: 30 May 2016 03:57
To: Mark Colton
Cc: 'Mark Le Page'
Subject: EEA Share Redemptions and Secondary Sale

Dear Mr Colton

- a) I have previously mentioned our concerns about the scheduling of the next redemption dates and payments (expected for 30th June) v/v the transfer of shares on the Register arising from the TPAI share sale process. TPAI's announcement last Thursday that their new deadline is 24th June, and the fact that it could take one to several weeks to process and complete the transfers has revived our concerns. Would the Board please announce confirmation of the next Redemption Day for Run-off and Continuing shares, and how you will handle the interaction with the share re-registration process. I believe that the redemption payments might be equivalent to at least 10-15% of the March NAV and this is very significant in relation to the TPAI strike price of 26.69%.
- b) In last Thursday's New Model Advisor article http://citywire.co.uk/new-model-adviser/news/eea-investors-offered-lifeline-as-buyers-line-up-rescue-bids/a914187?re=40317&ea=38668&utm_source=BulkEmail_NMA_Daily_Summary&utm_medium=BulkEmail_NMA_Daily_Summary&utm_campaign=BulkEmail_NMA_Daily_Summary it reports the EEA Board as saying that it expects to have an extra £96.1 million in cash available later in the year, some of which will be used for a further distribution in November.

In the March Portfolio Stats you projected the 2016 maturities (NDB) at \$103m and the 2016 premium payments to be \$38m. Add in the other 2016 expenses of \$5-10m and it is difficult to see where an "extra" \$96m of cash will come from. This information has not currently been communicated by the Board to investors, or how it might relate to any November / December redemption payments for Run-off or Continuing shareholders, but is a material consideration for potential share sellers and buyers. Please issue an immediate clarification and projection to year end 2016 so that valid assumptions can be made for the purpose of selling and buying shares.

- c) The same article also quoted the Board as saying that the remainder of the cash from the asset sale was set aside for holders of Continuing cells, those investors who did not opt for the conversion. EEA said it could be made available for further distributions or even the purchase of additional life policies.

Please clarify that this means the possible reinvestment of Continuing Cell cash into the shares of the new Irish Fund or other investments. If you DO intend to purchase additional life policies for the Guernsey Fund, then please clarify how these will be managed separately from the existing assets for the benefit of the relevant Continuing Cells only, since this appears not to be covered by the current Scheme Particulars.

Kind Regards

David Trinkwon